




3 1761 11895328 0

Government
Publications



Digitized by the Internet Archive
in 2024 with funding from
University of Toronto

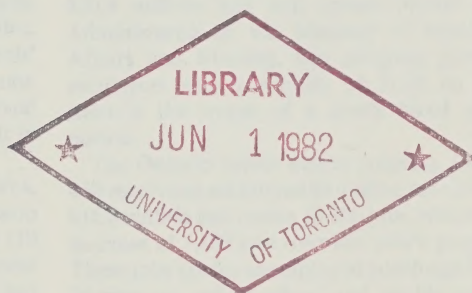
<https://archive.org/details/31761118953280>



No. 55

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Friday, May 21, 1982

Speaker: Honourable John M. Turner

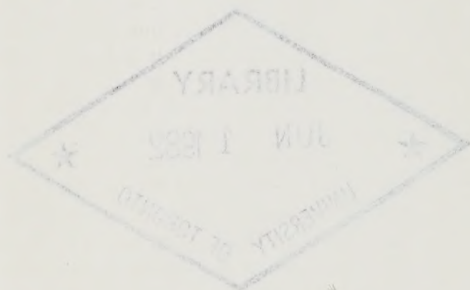
Clerk: Roderick Lewis, QC



CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.



Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Friday, May 21, 1982

The House met at 10 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

CAPITAL WORKS PROJECTS

Hon. Mr. Snow: Mr. Speaker, on Tuesday of this week I informed the honourable members of the House that my ministry and the Ministry of Northern Affairs will spend \$60.5 million to accelerate road construction and maintenance projects and to create nearly 2,500 jobs in the private sector.

I would like to report today on the distribution of seven million of those dollars, which the Ministry of Transportation and Communications is making available to Ontario's municipalities. That sum, along with the local governments' contribution of about \$3.25 million, will create approximately \$10.25 million worth of additional work in the municipalities and should result in the creation of 245 jobs.

These extra funds will allow cities, towns, villages and townships from one end of Ontario to the other to go ahead with approximately 110 much-needed projects, ranging from storm sewer and garage construction to bridge repair and replacement, while creating jobs for local citizens.

I have appended a complete listing of these projects to the copies of the statement and I trust virtually every member will find a project of interest and importance to his or her riding. As it is a long list, I intend to make those copies of the statement and the list of the projects available to the members through the post office. If they are not there today, they will be there Monday.

JOB CREATION PROGRAMS

Hon. Mr. Ramsay: Mr. Speaker, the budget announced last week by my colleague the Treasurer (Mr. F. S. Miller) contained a major provincial initiative for short-term job creation which provided for \$171 million of provincial funding and a target of 31,000 temporary jobs. I wish to provide the House with more detailed information on those initiatives pertaining to youth employment and the co-operative projects employment fund.

Before I begin my remarks, I would like to re-emphasize our commitment to youth employment in this province. The budget clearly states our objectives for short-term employment initiatives which facilitate the entry of young people into the mainstream of the labour force.

The Ontario Manpower Commission within my ministry is responsible for co-ordinating expenditure plans for most youth programs in the province. As announced by the Treasurer, an additional \$12 million has been allocated to youth employment programs for 1982-83. These funds will be expended in the following areas:

The Ontario youth employment program will receive an increase of \$4 million for a total of \$30.4 million and will create 57,000 jobs. Administered by the Ministry of Municipal Affairs and Housing, this program provides employers with a subsidy of \$1.25 an hour towards the wages of a newly hired young person.

The Ontario career action program, OCAP, will receive an additional \$6 million for a total of \$16.8 million and create 15,300 jobs, which is an increase of 5,100 jobs over last year's program. These jobs are for unemployed youth aged 16 to 24 who are out of school and unable to gain regular employment.

The funding for the youth secretariat job creation program has been increased by \$2.8 million over 1981-82. A new pilot winter program will provide 2,000 jobs, and the summer program 8,800 jobs, for a net gain of 800 over last year's Experience program.

In summary, notwithstanding this time of budgetary restraint, this government has responded to the pressing need to create more jobs for young people by significantly increasing its funding in this area and providing for a total increase of 8,400 new jobs in the coming year.

Finally, at this time I would also like to report on the initiatives we are taking to help reach the target of 6,000 jobs to be created by the co-operative projects employment fund which was included in the Treasurer's budget.

These projects are intended to make innovative use of the unemployment insurance funds which the province will enrich through the co-operative projects employment fund. Ontario is working

with the federal government on particular proposals in several areas, including an energy conservation proposal for public housing, improving railway level crossings and providing housing for seasonal agricultural workers. When particular projects are fully developed and agreement of both governments obtained, the appropriate minister will announce the details.

I will be meeting within the next few weeks with the Honourable Lloyd Axworthy, the federal minister responsible for the Canada Employment and Immigration Commission, and hope to obtain his support for these worthwhile proposals.

JOB CREATION PROGRAMS

Hon. Mr. Pope: I am pleased to announce today that the Ministry of Natural Resources has created several programs to provide short-term jobs for skilled workers who have been laid off.

As announced in the budget on May 13, the Board of Industrial Leadership and Development will provide funding for the accelerated capital projects program and the co-operative projects employment fund. As honourable members know, the Treasurer announced that a total of \$171 million will be set aside for short-term job creation, especially in those communities hit hardest by unemployment. BILD will co-ordinate the rapid implementation of these programs.

Under the accelerated capital projects program, my ministry will receive \$7 million for fisheries enhancement and timber management projects. We will use \$2 million to maintain and improve Ontario's sport and commercial fisheries. Of this amount, about \$1.5 million will be used to improve ministry fish hatcheries and \$500,000 will be used to improve natural habitats.

10:10 a.m.

The remaining \$5 million will be used for timber management. This includes \$3 million to employ workers to construct and maintain access roads and \$2 million for the expansion of tree nursery facilities.

Honourable members may recall that the road construction aspects of this program were first mentioned in this year's speech from the throne. These roads are essential if we are to make efficient use of our forests. They allow access to remote and mature forest stands, they make modified harvesting practices easier and they provide better forest protection.

I might add that the federal government will

reimburse \$1.5 million of the \$3 million we are using for our access road project.

The second job creation program I wish to discuss today is the co-operative projects employment fund, an expansion of the special federal-provincial employment program I announced in February. At least \$15 million will be provided for this program through the Board of Industrial Leadership and Development.

Honourable members may recall that my ministry went to the Honourable Lloyd Axworthy, federal Minister of Employment and Immigration, with a proposal to put forestry workers back on the job. Almost immediately, the government of Ontario committed \$4.5 million to that program. At this time, I would like to commend Mr. Axworthy for the quick and enthusiastic response we received.

We have already signed eight agreements and are concluding negotiations on another 18 at this time. Companies now under agreement are: Murray Bros. Lumber Co. of the Algonquin area; Newaygo Forest Products and United Saw Mill Co. both of Hearst; Cheminis Lumber Ltd. and H. Block Ltd. of Kirkland Lake; Weldwood of Canada Ltd. of Sault Ste. Marie, and Chapleau Lumber Co. and McChesney Lumber in Chapleau.

Among the other 18 proposals, there are companies from Nipigon, Sioux Lookout, Atikokan, Thunder Bay, Tweed, North Bay, Temagami and Lindsay. I am very encouraged by the recent acceleration of interest being shown by these companies. I hope that I will be receiving many more proposals in the near future.

I would also like to take this opportunity to bring members up to date on the special mining employment program that I announced on April 22. You may recall that this is another federal-provincial initiative, with BILD contributing up to \$5 million.

Since April, we have concluded negotiations for six Sudbury area projects involving Inco, the regional municipality of Sudbury and the new science centre for the north.

In Timmins, we will be signing agreements early next week with Pamour Porcupine Mines Ltd., in co-operation with the city of Timmins, to proceed with land rehabilitation projects.

We are in the midst of several other projects involving Pamour Porcupine, the city of Timmins and the Mining Corp. of Canada Ltd., and expect to make announcements shortly.

Ministry officials are also confident that negotiations with Pan Silver Mines of Cobalt, the

municipality of Cobalt and groups in Red Lake and Kenora will conclude successfully.

In anticipation of summer layoffs at Madawaska Mines in Bancroft, my staff is working with local officials to begin a project there. Under this special mining employment program, laid-off workers will be hired for land reclamation activities such as mine capping and mine tailings rehabilitation. For example, Sudbury mine tailing sites will be rehabilitated to provide wildlife habitats. The workers there will replace topsoil, plant trees and create pond and marsh areas. In Timmins, the workers will create hiking trails and beautify the boundaries of the Hollinger-Argus mine property.

The specific projects I have mentioned in this special mining employment program will mean almost 600 short-term jobs or almost 10,000 weeks of work. They will begin immediately.

Under the accelerated forest improvement program, we are currently negotiating another 23 projects which will create another 300 jobs. These will be announced as soon as they are under agreement.

I also expect to announce soon the details of three other programs under the co-operative projects employment fund. I am confident that these programs will soon provide several thousand short-term job opportunities for people currently receiving unemployment insurance. As new programs and specific projects are negotiated, I will bring the House up to date.

I am sure members are aware of the immense value of every program I have mentioned today. In these times of serious unemployment throughout our province and our country, we are offering jobs to hundreds of Ontario workers. By providing local employment opportunities, we are helping communities throughout our province retain their skilled workers, their payrolls and their community vigour.

I would also like to inform the members that I am very pleased with the enthusiastic co-operation my ministry has received while developing the accelerated capital projects and the co-operative projects employment programs. We welcome further initiatives from both the federal and provincial levels of government in view of the unemployment situation throughout Ontario.

While the forecasts are very good for these programs, I would like to take this opportunity to appeal to all members of the Legislature to encourage companies and groups in their ridings to come forward with proposals. Without the

active support of these groups, programs like this cannot succeed.

SALMONELLA INSPECTORS' REPORT

Hon. Mr. Grossman: Mr. Speaker, I am pleased to table the report of Dr. Ian Duncan and Mr. John Carter on their investigation of the handling of the salmonella outbreak identified in late December at Peterborough Civic Hospital. Members will recall that I appointed them as inspectors, in March, to pursue questions raised in an internal ministry report on the management of the outbreak, which had such tragic consequences for the Burrows family.

They have reviewed procedures used at the hospital and have interviewed physicians, staff and patients who were involved in the December incident. As a result, they have made many constructive suggestions on how hospitals should deal with such outbreaks.

I know members will wish to join in thanking the authors of this thorough study: Dr. Duncan, who is professor of medical microbiology at the University of Toronto and director of the microbiology department at Sunnybrook Medical Centre, and Mr. Carter, who is president and chief executive officer at Greater Niagara General Hospital at Niagara Falls. They are to be commended for producing so comprehensive a study so quickly.

They understand clearly the importance of infection control procedures, that they must be implemented quickly and precisely and that information must flow quickly to all of those who need it. Consequently, I am instructing that the report of the inspectors be made immediately available to hospitals and health units across the province, and that it be shared with members of the Ontario Hospital Association and the Ontario Medical Association. I also am requesting that the report be sent to the College of Physicians and Surgeons of Ontario for the information of its members.

On a final note, I want to mention that the administration and staff of the Peterborough Civic Hospital, and the health unit, have been most co-operative in providing the inspectors with whatever material was required. The inspectors report that the outbreak was well handled by the hospital staff and that medical and nursing care at the Peterborough Civic Hospital is of high quality.

LEGISLATIVE PAGES

Mr. Speaker: Before continuing with the routine proceedings, I think this would be an

appropriate time to say a special thanks to all those young people who have served us so well as pages in the past few weeks. You may notice some red eyes and long faces. They have appreciated being here as much as we have appreciated having them.

I would ask you to join with me in thanking them very, very much.

CORRECTION OF MEDIA REPORT

Mr. Wyre: Mr. Speaker, before we begin oral questions I want to rise on a point of privilege, following upon the comments of my friend the member for Windsor-Riverside (Mr. Cooke) in his opening remarks yesterday in the budget debate.

I want to read to you from Hansard some of the comments he made. He said: "I do want to point out that this provincial budget was a subject of a hot line program, an open line program in my home town. They did a poll on the bell ringing that went on last weekend. The vast majority of the people calling up said that if it was any other party but the party to my right, it was believable, but they know what Liberals are like and they do not want the Leader of the Opposition to do for Ontario..." and it went on.

I spoke with the producer of that program this morning because I had never heard of this. She told me that no single person, let alone a vast majority, made any such comments whatsoever.

I would ask the member for Windsor-Riverside, who obviously has been inadvertently misled by one of his NDP friends back in Windsor who obviously wishes that this were so, to stand up and correct the record and withdraw this comment, which he obviously did not check out in advance.

Mr. Speaker: Order. That was hardly a point of privilege; perhaps a difference of opinion.

10:20 a.m.

TAX BURDEN

Mr. Van Horne: On a point of privilege, Mr. Speaker: During the course of question period yesterday, the Premier (Mr. Davis), in an aside that was loud enough for many of us in the front bench to hear, indicated that additional costs brought about by Ontario's new budget may well be covered by grants. On May 14, the Treasurer (Mr. F. S. Miller) was quoted as saying, "We are warning the recipients of provincial grants that next year they shouldn't count on getting anything extra because of inflation or this budget." Could the Premier

indicate whether or not additional grants are in fact being considered?

Mr. R. F. Johnston: That's a good point of privilege.

Mr. Van Horne: Well, he is misleading the House if what we heard yesterday was right. That is a point of privilege.

Mr. Speaker: I have to ask you to withdraw that last comment.

Mr. Van Horne: I would gladly withdraw it, Mr. Speaker, if he would choose to clarify what—

Mr. Speaker: No, you cannot make it conditional. I would ask you just to withdraw it.

Mr. Van Horne: He might do that in the course of answering other questions.

Mr. Speaker: No. I would have to ask you to withdraw it now, please.

Mr. Van Horne: In deference to his advanced years I will have to withdraw it, then.

Mr. Speaker: Thank you. I would like—

Mr. MacDonald: Is that a conditional withdrawal, Mr. Speaker?

Mr. Speaker: Certainly it was, but I would just like to point out to all honourable members, including the member for London North, that in fact this was not a point of privilege but rather a question which might better be asked at the appropriate time.

ORAL QUESTIONS

TAX INCREASES

Mr. Peterson: Mr. Speaker, I gather that in the absence of the Treasurer (Mr. F. S. Miller), the Premier feels he is more qualified to answer questions about the budget than the parliamentary assistant, who is not here either. Therefore, I will ask—

Hon. Mr. Davis: I made it very clear that I was not.

Mr. Peterson: Would the Premier care to designate another hitter in this matter, or does he want to answer the question?

Mr. MacDonald: A good pinch-hitter.

Hon. Mr. Davis: Listen, I have pinch-hit all my life.

Mr. Peterson: Since I gather the Premier will be here at least some time next week and the Treasurer will not be here for a week or so, I understand that I am addressing my questions to the appropriate person in charge.

Hon. Mr. Davis: You certainly are.

Mr. Peterson: I assume the Premier was aware of the budget before it was introduced in this House. The Premier is aware, I am sure, of the effect in practical terms of his budget on inflation in this province. He is aware, for example, that a cup of coffee that would normally cost 35 cents will go to 37 or 38 cents. But most people will not charge that; they will put it up to 40 cents. Is the Premier aware, for example, that in the pop machine in the basement of this building, where the charge used to be 40 cents, advantage is being taken of the cover of this budget to increase the prices to 50 cents?

In fact, the inflationary impact of the imposition of these new taxes will be profound right across the system when one adds together the multiplicity of transactions. Is the Premier aware of the inflationary impact of this budget? Was that the intent when the Treasurer brought it into this House?

Hon. Mr. Davis: Mr. Speaker, I will try to answer the multiple question the Leader of the Opposition has asked. I do welcome him back after his brief illness yesterday. As I explained to his finance critic, who was upset that the Treasurer was not here yesterday—and, quite obviously, his finance critic is not here today to be upset, so he will not be upset Tuesday if the Treasurer is not here; will the Leader of the Opposition get that message to him for me?

Mr. Peterson: The message is that the Treasurer leaves a week after the budget.

Hon. Mr. Davis: Oh, come on. Sit down and relax.

An hon. member: Just answer the question.

Mr. Speaker: Order.

Mr. Nixon: What did you have for breakfast?

Mr. Speaker: That was not the question. "Are you aware," Mr. Premier?

Hon. Mr. Davis: Mr. Speaker, I heard a supplementary on what I had for breakfast. I had apple juice; I had milk.

I would say to the honourable member, no, I am not aware of the cost at the pop machine in the basement. I confess my neglect in not checking that out. Perhaps I will make an effort to do so after the question period. I should point out to the Leader of the Opposition that one reason I am not familiar with the price of pop in the pop machine in the basement is because I do not use the pop machine in the basement. I did not think it was my responsibility to find out

what the cost was, but I will be delighted to do so.

I should point out to the Leader of the Opposition, who is concerned about the cost of the pop in the pop machine in the basement, one reason I do not use the pop in the pop machine in the basement is because of the Minister of Agriculture and Food (Mr. Timbrell). Most of the time I consume milk.

Mr. Peterson: The Premier is a poor ad for milk. If it makes him act that goofy he should stop drinking it.

The question is about the inflationary impact of the budget. I gave the Premier two examples and I can give him many more, particularly when the Treasurer goes to the car dealers' annual dinner, as he did a couple of weeks ago, and says this: "Historic disasters usually come labelled with day and year, sometimes even by the hour. Not so with inflation. Inflation has no date of beginning. It is the cancer of modern civilization."

When a budget is brought in that is so inflationary, let alone regressive, and involves virtually the entire community in a new round of tax increases and price increases, how can the Premier justify that? How can he castigate others when he is contributing so significantly to inflation at this time?

Hon. Mr. Davis: To deal with the preamble to the question, the dinner that the Treasurer had, I know the Leader of the Opposition is very upset that in his annual Heritage dinner—whatever that may mean—he was able to attract substantially fewer people on behalf of the total Liberal Party of Ontario than the Treasurer did in a modest fund-raising dinner for his constituency. That is just in answer to his preamble.

Mr. Sweeney: He did not have to pay them in advance to get them there.

Hon. Mr. Davis: I know.

Mr. Speaker: Order, please. Now back to the question.

Interjections.

Mr. Speaker: Order, order. The honourable Leader of the Opposition asked the question. Please ignore the interjections.

Hon. Mr. Davis: I think the Leader of the Opposition, if I heard his question correctly, said that we in fact increased prices. My recollection of the budget is we did not increase prices. There was a modest increase in taxation.

I would say to the Leader of the Opposition, as it relates to the impact on inflation, I think

most economists would agree that it was probably as noninflationary a budget as has been introduced in any provincial House or certainly by any federal government in recent memory. One can single out the one tax area where the base for the sales tax was extended. There is no question the cost of those items now included in the sales tax will be seven per cent higher.

I know that the policy enunciated where this government has provided a measure of leadership in terms of public sector restraint—supported enthusiastically by the Leader of the Opposition and members of his caucus and which he endorses—is probably, in terms of both the symbolism and practical effect, as noninflationary an item as could be included in a provincial budget.

If the Leader of the Opposition asks any of his economic advisers, those hard-hitting, hard-nosed people whom I read about in the press—where one of the caucus colleagues said they were a little worried about it because it would lose the sensitivity that is traditional with the Liberal Party in this province, which I have never found in that party—every single one of them will tell him it is a noninflationary budget.

Mr. R. F. Johnston: Mr. Speaker, I wonder if the Premier would give me his response to some financial advisers that he has used in the past who have indicated that in fact they feel the budget is inflationary. I refer to McLeod Young Weir, friends of the Premier and the Deputy Premier (Mr. Welch). I believe he has used their advice for other things in the past.

They seem to indicate that perhaps this is an inflationary budget. I quote: "A real risk is that the retail sales tax changes may merely boost inflation . . . as well as attack the employment factor and dampen already tight consumer spending."

Some of the government's advisers are saying there is a danger of this being inflationary. Therefore, people the Premier has respected in the past are telling him that is the case. Is that not so?

10:30 a.m.

Hon. Mr. Davis: Mr. Speaker, I am delighted to hear that the member for Scarborough West, who has been somewhat critical of that same firm, is now basing his question on its point of view and opinion. I would only suggest he be consistent and accept its point of view and opinion on other matters.

If the honourable member reads that again carefully, he will see they were very careful as to

how they worded that opinion. Incidentally, it is an opinion that is not shared by some of the other investment dealers. In fact, I have heard from the investment dealers. If the member wants me to read him Mr. Kniewasser's letter to all the investment dealers, where it so enthusiastically endorses the budget of the Treasurer of Ontario, I happen to have it here and would be delighted to read it into the record.

It is fair to state there is a risk in just about everything. There is a risk in running for mayor or the member would have run for mayor. There is no question about that. That is the only reason he did not run.

Mr. Speaker: Order.

Mr. McClellan: Throw him out.

Mr. Peterson: Nice work, Mr. Speaker. I would like to quote to the Premier from the 1977 Ontario budget, which I believe he was around for:

"Ontario has over the past few years increased the level of the retail sales tax exemption for prepared meals so that residents and visitors alike are able to purchase essential meals free of tax. At the same time, the levels chosen have ensured the continued generation of revenue from the more elaborate higher-priced dinners. In continuation of this practice, I am proposing a further increase in the level of exemption to \$6. This change ensures that all basic meals will be free of tax."

How does the Premier account for this change of philosophy when he does not acknowledge the concept of a basic meal? There are cafeteria meals. A number of people such as seniors and students are obliged to eat out rather than at home. The meals are not elaborate; they are taken just to function in a normal way. How does he justify this change of philosophy by punishing those people now, and the denial of the concept he used to use about a basic meal and a basic exemption? Why is he punishing those people now?

Hon. Mr. Davis: Mr. Speaker, with great respect, the Leader of the Opposition likes to use these dramatic terms. This government is punishing no one.

The Treasurer has assessed the economic affairs of this province some five years later. I happen to have some quotes from the honourable member's contribution on the 1977 budget but I will not take the time of the House to read them. If I did, it would restore the pallor, or rather alter the pallor, he is experiencing this morning.

I think the Treasurer made the philosophical basis of what he did very clear. In terms of equity, I think it is appropriate and, in terms of the Leader of the Opposition's question, it is quite obvious why the Treasurer did it.

Mr. Peterson: Mr. Speaker, I have another question for the Premier. The Treasurer stated that the increase in taxes would be about \$150 extra for the average taxpayer in this province. It was broken down to \$108 for the retail sales tax, \$20 for liquor, \$10 for fees and licences and \$12 for the Ontario health insurance plan.

Would the Premier not agree with me that those calculations are very questionable in the circumstances because they are based on Statscan consumption tables from 1978? Those figures do not include a lot of specific items such as clothing patterns, textiles, trimmings, smoke alarms, pets and a variety of other things.

There is no indication of an increased calculation for insurance premium costs. We all know that insurance premiums are going to go up as a result of the Treasurer's budget because labour is now going to be taxed, particularly in the motor vehicle field. There is no indication of a calculation made for the increased property tax he is shifting on to the residential taxpayer across this province. There is no mention in his figures of the extra \$24 or so that will be paid by the average motorist by way of the rising ad valorem tax.

Would the Premier not agree with me that the impact on the average taxpayer is substantially more than he is prepared to admit at this point? Will he table studies in this House that share with us his determination of what that impact will be?

Hon. Mr. Davis: Mr. Speaker, I understand the Leader of the Opposition had a bad day yesterday and I sympathize with that. We all have those.

He is probably compounding his figures. I do not know who is doing his research for him. If he would check the budget paper carefully, he will find the Treasurer estimated that the impact relating to the extended base of the sales tax would be some \$150 for the average family.

I would point out to the member, yes, there will be increased revenues from gasoline tax. I should also point out to him that if he takes a look at the total budget and at the expenditures of the Minister of Transportation and Communications (Mr. Snow) and listens to this minister's announcements of increased funding for the highway system, for municipal subsidies, he will find that in fact the increase in the tax

probably will equate with, or may even be less than, the additional services we are providing for the people of this province through our transportation network, which, incidentally, happens to be still one of the finest in North America.

One can see the money being expended and invested. One can travel Highway 401 to London, as I know the member does on occasion to get back to his riding, and see just where that money is being spent.

For the Leader of the Opposition to say there is a significant pass-through to real property tax is really day-dreaming. I would never accuse him of that but if he had been here yesterday, I think he would have discovered—I will try to answer the point of order that was not a point of order made by the member for London North (Mr. Van Horne)—that I made it quite clear that in so far as capital investments are concerned, I took the example of transportation and communications.

I used the great city of Brampton to make my point. If they buy five new buses, we pay a 75 per cent capital grant on that. If on the purchase price of that they now pay seven per cent, our 75 per cent will be calculated on the base price of the bus plus the seven per cent; which means that I, as a resident of Brampton, benefiting from that great service and that great 75 per cent contribution, will have to cover in municipal tax, or through the fare system, 25 per cent.

Mr. Peterson: I am sure the Premier, because he has a rudimentary knowledge of a wide number of things, is familiar with Samuelson's book on economics, in which the author says about customs and sales taxes, "In order of regressiveness, these would probably come first." How does the Premier square that with the Treasurer's statement of last week that "I do not think the sales tax is as regressive as the member believes it is"?

Would the Premier not agree with me that in spite of the fact he sees some benefits flowing from his budget—he says there will be increased transfers back to Brampton, probably a disproportionate amount, knowing him—does he not feel it is unfair to impose these regressive taxes on people least able to pay through the sales tax, in order for him to have his transfers wherever he has decided to have them?

Hon. Mr. Davis: One can always debate the equity of any tax system. I think the Treasurer has acknowledged on many occasions that no tax system is totally equitable. We could debate, philosophically, the total equity of the real

property tax itself. We have had these debates in the past in this House, although not in recent years. I think equity is a very legitimate area for debate. There is never total equity.

I appreciate the fact that the Leader of the Opposition feels I have some rudimentary knowledge of some of these items. There are some days that I feel it is a plus on my part to have the member acknowledge this. I should also point out to him that, while I would be delighted for Brampton to receive more than its fair share, unfortunately Brampton has received in municipal subsidy the same amount as every other municipality. I may say that with some modest regret but it happens to be true.

I am not as familiar as the Leader of the Opposition with the writings of that particular economist. I know that one can read economists day in and day out, and that for every economist one reads one can get a different opinion. I know that is correct because we have several in the employ of the government. I am always intrigued when I listen to their points of view, but we never achieve unanimity from that very important group of individuals.

I was speaking at a gathering the other day and made an offer to the economists of Ontario, after reading all of their rather negative predictions, that I would be prepared to charter the Queen Elizabeth II to send them on a world cruise for 12 months so that I would not have to read any more of this. Two of them have written to me to take me up on the offer, but since they wanted first-class accommodation, I had to decline.

Mr. Cooke: Mr. Speaker, I would like to ask the Premier if he really believes these increased costs to municipalities for sales tax and Ontario health insurance plan premiums are not going to result in property tax increases because of the grants that he gives to municipalities and school boards?

Will he be willing to give a commitment that his government will revise the grant regulations, for example, for school boards, to give them more money in order to increase their grants to cover the increased costs imposed on them by his government's budget last week?

10:40 a.m.

Hon. Mr. Davis: Mr. Speaker, my brief recollection of school board budgeting would indicate that about 75 to 80 per cent of their total budget goes—

Mr. Cooke: The grant regulations have already been announced.

Hon. Mr. Davis: Would the honourable member like me to finish the answer to his question? If he will check the grant regulations and school board expenditures generally, he will find that about 75 per cent of their budget goes to the very important consideration of payment of wages and salaries. That is where the bulk of any school board budget goes. There is nothing in the changes in the tax legislation that impacts upon that obligation.

If one then takes the remaining 25 per cent and sorts out just what the school board will have to pay by way of increased sales tax, and if one equates that in terms of capital expenditure with the grant regulations and what is available for capital purposes, depending on the rate of grant for the individual municipality, one will find that the actual effect on the school board will not be that significant. The Minister of Housing and Municipal Affairs (Mr. Bennett) has estimated that the potential impact is less than half of one per cent.

Mr. Peterson: To go back to the original question, given the fact that every tax increased in this budget is regressive and is hitting certain people much harder than others—the Ontario health insurance plan premiums, the retail sales tax and a variety of others—

Hon. Mr. Davis: What are the variety of others?

Mr. Peterson: Ad valorem taxes, which will go up, and a variety of others—

Hon. Mr. Davis: We didn't touch the ad valorem tax.

Mr. Peterson: Maybe we should take this occasion to remind people that income tax is going up too as a result of last year's budget; that was not mentioned in this budget. This would be a good occasion to remind people what the government is doing on all levels.

But given that the majority of the increases in this budget are regressive and that a lot of the sales tax changes are going to hit seniors and a lot of people who are going to have to pay tax on necessities, why did the government not consider removing at least some of that regressivity by increasing the \$50 sales tax exemption for seniors?

Hon. Mr. Davis: We could spend all day debating the degree of any tax measure as to whether it is regressive or progressive. To try to be constructive about it, I think it is a very valid area for philosophical discussion. The Treasurer does not agree with the Leader of the Opposition as to the extent of any regressivity in

the tax system. It is always easier for the Leader of the Opposition to single out taxes that are being increased or tax bases that are being extended and to argue that they are not fair or equitable.

If the Leader of the Opposition were to calculate accurately the amount a senior, for instance, may pay by way of the increased base and calculate the funding available from the province, including OHIP premiums, the sales tax credits and the real property tax credit, I think he will find seniors in Ontario are being treated as equitably as any group of senior citizens anywhere in Canada and, I will be more expansive this morning because I happen to know it is true, more so than in any state of the United States.

Mr. Speaker: The member for Scarborough West.

Mr. Peterson: The Premier should have run for governor. That was his whole mistake.

Hon. Mr. Davis: You wouldn't know the difference.

Mr. Speaker: Order.

Mr. R. F. Johnston: They are difficult to deal with, Mr. Speaker. I understand.

My question is for the Minister of Colleges and Universities but on the budget as well. There was a report last August—

Interjections.

Mr. Speaker: Order. The member for Scarborough West has the floor, and I ask all honourable members to please refrain from needless interjections.

UNIVERSITY FUNDING

Mr. R. F. Johnston: Thank you, Mr. Speaker. Last August a report of the Committee on the Future Role of Universities in Ontario was released. The deputy minister, H. K. Fisher, was the chairman of the committee that produced that report. One of the recommendations was as follows:

"To meet fully the objectives"—those outlined in the heading—"the committee recommends funding increases during the 1980s at a level that meets the cost of inflation and the cost of faculty and staff advancement, and provides an additional \$25 million per annum for equipment and furniture replacement."

Would the minister not agree that there are two items in the budget which will make that impossible? The first is the warning on page 17 of the budget which tells publicly funded institutions that they should not expect cost-of-living

increases. The second is the addition of sales tax to many items that affect university budgets.

Does this mean there is going to be a major reduction in the quality of education at the post-secondary level, or are we going to see one of the other possibilities that was raised in the report, that is, the loss of universities in this province altogether?

Hon. Miss Stephenson: Mr. Speaker, the answer to the second question is no. In answer to the first, I am aware of the initial recommendation of that committee. I think the honourable member is also aware that we have been working with the universities in an attempt to find an appropriate direction.

I do think the Treasurer (Mr. F. S. Miller), on behalf of all the people who are knowledgeable about public funding in any area, was simply sounding the warning bell that it may not be possible to be as magnanimous in providing funds as it has been at some times in the past. I believe that is an economic reality every single one of us has to accept, not just personally and individually, but also collectively.

Mr. R. F. Johnston: I am a little concerned about the minister's comment that she "thinks" there will be no closings of universities. I hope in her reply to my supplementary she will clarify that is not a conjecture, and she will not countenance the closing of universities in this province.

Is the minister aware that the Council of Ontario Universities believes it will have a \$10-million to \$12-million loss in revenues as a result of the sales tax changes, and approximately \$500,000 or more of a loss in terms of Ontario health insurance premiums from its budgets at this point? This means that the increase of 12.2 per cent that has been offered to those institutions will be reduced by one to 1.5 per cent, or down to 11 per cent, and below the cost of living for this year, and that a university like Guelph is expecting an impact of \$891,000 on its budget this year just in the sales tax portion alone. Does she not feel this is going to have an enormous effect on budgets of universities that are already very tight?

Hon. Miss Stephenson: I am aware that a preliminary estimate has been established by the institutions. I am also aware there is a need for clarification of certain items that would provide for an accurate estimate in the not too distant future.

Mr. Sweeney: Mr. Speaker, the minister just referred to the fact that she is not anticipating

any serious negative effects as a result of this budget and previous budgets. Is she aware that the University of Toronto just this morning released a document saying it is anticipating that if the present rate of funding continues it is going to have to reduce its admissions by 20 per cent and very likely will have to close down the Scarborough and Erindale campuses? If she is aware of that, does she agree with it, and if she does not, what is she going to do about it?

Hon. Miss Stephenson: Mr. Speaker, I am aware of the statements made by the president of the University of Toronto. I am not aware that he said there was a likelihood of closing Erindale and Scarborough, but I am most certainly aware that he stated this was not only a matter of money; it was a matter of the philosophy regarding that university, that it had to become intellectually leaner and tougher than it had been in the past.

Mr. R. F. Johnston: Will the minister please answer directly whether she will countenance closings of universities or colleges within universities, as has been suggested here in terms of a large university such as the University of Toronto, as a result of budget decisions made by the Treasurer, which I presume she opposes if she agrees with the committee's report as to what the future of universities require in this province?

Hon. Miss Stephenson: I think the member has heard, on at least three occasions I am aware of, a specific statement that the final recommendation or resolution of that committee was not acceptable to government, that there was undoubtedly a middle road that could be followed that would ensure the maintenance of quality, the maintenance of our institutions and the provision of an educational program that would continue to provide leadership in this province.

10:50 a.m.

AFFIRMATIVE ACTION

Mr. R. F. Johnston: Mr. Speaker, my question is for the Minister of Labour and it concerns affirmative action and equal opportunity.

The minister has continued to be advised by many of us that voluntary affirmative action is not working. As recently as Wednesday, we released a report from the Advisory Council on Equal Opportunity for Women, which I believe the minister has had access to. The council has again said that affirmative action programs as they are at present structured are not working.

Would the minister please comment on those programs in the Liquor Control Board of Ontario where only three per cent of the employees are women? In fact, since 1979-80, they have increased the number of women employed at the LCBO by only 10. Does the minister believe the LCBO is doing enough to increase the role of women in that section of the government or is it failing in its job to address the needs of women?

Hon. Mr. Ramsay: Mr. Speaker, my understanding is that there have been few new jobs created in the LCBO over the past number of years. I also happen to know there was one opening filled just recently in my riding and that was filled by a woman.

Mr. R. F. Johnston: I have reason to believe there are major concerns about the attitude of that employer.

I would like to ask the minister's comments on the case of a Donna McNeilly from London, Ontario, who for a year and a half worked at the clerk 2 level as a part-time worker in a store. She passed her test and was accepted for full-time employment at the store for a probationary period.

A month and a half later, she realized she was pregnant. Her doctor informed her that it was not wise for her to be lifting heavy boxes, which is part of that job. She asked her employer whether consideration could be made for this. She was informed by head office that there could not be any adjustments made for her and that she must resign. In fact, they have told her she has resigned although she has never done so to this point.

Does the minister not feel this is a discriminatory policy against women that does not bring forward the equal opportunity notions he has talked about and we have hoped for? Will the minister please investigate this case?

Hon. Mr. Ramsay: In this incident, I do not think it mattered whether or not the person was a woman. It could have been a male who—

Mr. Cassidy: Who became pregnant?

Hon. Mr. Ramsay: No, no. It could have been a male who had been injured, could not handle the heavy boxes and received the same kind of letter.

In direct response to the question, I agree with the point the honourable member is making. If a woman is pregnant or if a male is injured and they are not able to do their regular job, I feel the employer, whether it be the LCBO or whoever, should work out some concessions or arrangements so they can be put on another job

temporarily until they can resume their duties. That is only common, decent employer-employee relations. I think most companies and organizations in this province practice that.

Mr. Wrye: Mr. Speaker, concerning the report of the Advisory Council on Equal Opportunity for Women, the minister is on record as shunning a legislative method to implement affirmative action programs for women in the work force. He favours the voluntary approach.

According to the advisory council report, and this council was established by the ministry, "Not only has there been no action to legislate affirmative action, but in addition there has been very limited support for the council's suggestions that would strengthen the voluntary approach."

In the light of these comments by the council about the attitude within the ministry, how can the minister possibly hope to maintain any credibility with the women in this province who are seeking meaningful employment in the work force, especially in the face of the policy conclusions drawn recently in another report commissioned by the minister from Dr. Gunderson? It also said that affirmative action programs are necessary to reduce occupational segregation.

If the minister is not going to listen to these comments from his advisory council, what is the point in having one in the first place?

Hon. Mr. Ramsay: Mr. Speaker, perhaps a little background is in order. First of all, it was indicated on Wednesday at the press conference by the New Democratic Party that the report was being suppressed. That was not the case at all. A week ago yesterday, I met with the advisory council. I gave my assurances at that time, and the honourable members can check with any member of that council, that not only would the report be made public by me, but it would be made public prior to the Legislature rising so the members opposite and the media would have full opportunity to question me on it.

Let me go back to the matter of the recommendations in that report. There is one major recommendation and, it is true, it is for legislated affirmative action. However, the other recommendations are all based on the fact that legislated affirmative action might not be forthcoming. I addressed all of those alternative recommendations in detail in verbal form at our meeting a week ago Thursday. I have promised to follow up with a written response within the

next week or so and then to meet with the advisory council again on June 28.

Many of the alternative recommendations that have been made in that report have already been agreed upon by me because I think they are positive, productive recommendations that will improve voluntary affirmative action.

Mr. R. F. Johnston: The minister should be aware it is the practice, if not policy, within the board to make light work available to older members within various stores. I do believe this is a sexual question and very clearly that.

May I then ask him what he would like to do about the sign which is up in a lot of liquor control board stores at the moment and which reads: "This may be the equal opportunity you have been looking for. If you have ever wondered about a career with the LCBO stores, you should know that we offer equal employment opportunities to both women and men." Would the minister at least have that amended to say, "unless you get pregnant"?

Hon. Mr. Ramsay: I referred in the answer to the first question to a woman employed in Sault Ste. Marie, the first permanent employee to be taken on in quite some number of years. My colleague from Timmins has told me exactly the same circumstance occurred in his riding recently.

Mr. R. F. Johnston: This woman was originally recommended by the Minister of Industry and Trade (Mr. Walker).

Hon. Mr. Ramsay: I am not sure if the member opposite is asking me to investigate the case of the pregnant woman or whether he is asking me to comment on the number of women who have been hired.

Mr. R. F. Johnston: Both.

Mr. Speaker: The specific question was, "Would you have the sign amended?"

Hon. Mr. Ramsay: No, I will not have the sign amended.

Ms. Bryden: On a point of privilege, Mr. Speaker: The minister stated he would release the report before this Legislature rose for the summer recess. But he also said he is not meeting with the advisory council until June 28. In the press he said he would release the report after that meeting. This House probably will not be sitting after June 28. I would ask for a clarification from the minister.

Hon. Mr. Ramsay: Mr. Speaker, the honourable member opposite is correct. That is what was in the story in the newspaper, but the

reporter misinterpreted what I had said. All the member has to do for confirmation of that is to talk with any of the members of the advisory council. They will tell her they have received my assurances that it would be released prior to the Legislature rising.

The reporter got confused by the fact that I also said I was having a follow-up meeting with the advisory council on June 28. The June 28 date is not related to the release of the report, and I have no question on that point.

11 a.m.

TAX ON RESTAURANT MEALS

Mr. Eakins: Mr. Speaker, my question is to the Minister of Tourism and Recreation, who I know is very interested in Ontario's competitive position in the tourism field. Does the minister realize that his government's proposal to tax all meals at seven per cent will make Ontario the only province in Canada to tax low-priced essential meals, that three provinces have no tax at all on meals and that the remaining provinces all have an exemption below which no tax is imposed? Is the minister aware of that?

Mr. Speaker: The Minister of Tourism and Recreation.

Mr. Eakins: Leave him alone, Larry.

Mr. McClellan: No coaching, Larry. Let him hang himself.

Hon. Mr. Baetz: Mr. Speaker—

Interjections.

Mr. Speaker: Order.

Hon. Mr. Baetz: Mr. Speaker, we realize—

Interjections.

Hon. Mr. Baetz: I do not think they want an answer.

Hon. Mr. Grossman: Aren't they interested in tourism?

Mr. Speaker: Will the minister just reply to the question at hand, please?

Hon. Mr. Baetz: Mr. Speaker, we fully realize that Ontario enjoys a very competitive position in tourism. The number of tourists coming to this province from all other provinces, the United States of America, the United Kingdom, Germany and France is rising year after year. This is a wonderful province for the tourist to discover; more are coming.

I am sure the honourable member will also appreciate that he is from a wonderful part of Ontario, and we are going to be encouraging tourists to travel over his way. I can also tell him

that quite a number of tourist operators and owners of hotels and motels have written to tell me they are very delighted that the 10 per cent tax has been reduced to seven per cent.

We really are competitive, and through this budget we have become ever more competitive, and the tourists will continue to flow in here and enjoy Ontario.

Mr. Eakins: I certainly agree that the lowering of the tax from 10 per cent to seven per cent was very much in order, but the minister has not been in touch with the tourist associations lately, because they are not very happy with what has happened.

If it was equity the Treasurer was trying to achieve in the system, does the minister realize that by altering the tax on meals under American plans to five per cent while imposing a seven per cent tax on all other meals he has still not achieved that equity by any means and that the system shifts the tax burden much more heavily to lower-income families?

Does he also realize that many family-style restaurants which used to have meals available at about \$5.95 to assist senior citizens and students no longer will have an incentive to keep the prices down, since any price level now will be taxable?

Hon. Mr. Baetz: Mr. Speaker, I still feel that there is a great deal of equity—in fact, more than ever before—in the new tax structure. If a meal now costs \$3, you pay 21 cents; if the meal costs \$20, you pay \$1.40. Surely that is equity.

Ms. Copps: It hits out at the poor. Don't you see that it hits out at the poor?

Mr. Speaker: Order.

Hon. Mr. Baetz: I have not heard from the tourism industry that this is going to affect tourism adversely; in fact, I have heard quite the opposite.

Mr. Di Santo: Mr. Speaker, I would like to ask the Minister of Tourism and Recreation whether he thinks it is a fundamental role of this ministry, to enhance the fortunes of tourism in Ontario, to duplicate the press releases of the Ministry of Citizenship and Culture.

Hon. Mr. Baetz: Mr. Speaker, that is obviously not a supplementary.

TAX ON BUILDING MATERIALS

Mr. Mackenzie: Mr. Speaker, I have a question for the Premier. The Premier will be aware of the importance to Hamilton of the arena and trade centre and the considerable efforts over a long period of time to arrange the necessary

financing to get the project off the ground. Is the Premier aware that the initial estimates of the effect of the seven per cent sales tax on materials on this one project in Hamilton alone are that it could cost the Hamilton taxpayers an additional \$1 million to \$1.5 million? Does he not feel that this is taxing the people twice, in effect, because the city will have to tax the people to get the taxes to pay on this project?

Hon. Mr. Davis: Mr. Speaker, I am aware that there are some capital projects. I am not familiar with the actual figures in the city of Hamilton, because my recollection is that they have not finalized the design, and it has not gone out for tender; nor has a firm figure been set. The honourable member can bring me up to date if those things have happened, but my last information was that they had not.

I am going by memory but, as I recall, the government of Ontario has committed some \$4 million to assist the city of Hamilton in what we think is a worthwhile endeavour. I think it is also true to state—and this is not related to the sale tax—that we are anxious to see this thing proceed. I have never been reluctant to sit down with the very distinguished mayor of that great municipality; when the final cost comes in, I will discuss with him whatever financial problems they may have.

Mr. Mackenzie: The cost estimates for the project, which I think are reasonably close, come to \$40 million at the moment. I am glad to hear the comments of the Premier, who will recall his promise to assist in funding this project by matching, as I understand it, the federal government grants. Inasmuch as the federal government grant of \$4 million was received some time ago and is now drawing interest, and the amount is somewhere close to \$4.5 million, I understand—

Mr. Riddell: Boy, the feds are good for something.

Hon. Miss Stephenson: That's a switch.

Mr. Riddell: It's nice to hear the feds are doing something.

Hon. Mr. Ashe: They are so few and far between, it's pretty easy to identify.

Interjection

Mr. Mackenzie: Can we have an assurance that the province will match the current value of the federal government grant? Can we also have an assurance that to maintain the rather close funding of this project, the province will also, as the Premier has indicated, take a look at

covering the additional cost of that sales tax, which could be as high as \$1.5 million?

Hon. Mr. Davis: I just reiterate the answer to the initial question.

I cannot help but comment on the remark made by the member for Huron-Middlesex (Mr. Riddell). He said, "At least the feds are good for something." I heard him say it.

Mr. Riddell: Sure, I said it.

Hon. Mr. Davis: It just indicates to me that the member does not think they are good for much else.

Mr. Riddell: I'm not here to defend the feds.

Mr. Speaker: Will the Premier address the question, please?

Hon. Mr. Davis: A Liberal is a Liberal is a Liberal.

I assure the member that when it comes closer to finality, I will be quite prepared—along with the minister, of course—to sit down with the mayor of that city to see whether the provincial contribution is appropriate. We did match the federal grant. I explained to the mayor at the time that we were funding this under one of the programs, Wintario or whatever, and that we were not in a position to pay the money in advance. I think he understands that.

Certainly I have more than a passing interest in a facility of this nature. We are very anxious to see it proceed. I am quite prepared to sit down with the mayor when we are closer to some finality.

Mr. Cunningham: Mr. Speaker, notwithstanding the interjection from the Minister of Education (Miss Stephenson) that we might seek funds from Mr. Munro's personal bank account, where would the Premier suggest that the local taxpayers in Hamilton get the money to make government sufficiency—

Hon. Miss Stephenson: That isn't what I said.

Hon. Mr. Bennett: He doesn't care. Eric takes cheap shots constantly.

Mr. Speaker: Order.

Hon. Miss Stephenson: On a point of privilege, Mr. Speaker: The member misquotes me badly.

Mr. Peterson: What did you say, Bette?

Hon. Mr. Bennett: Read Hansard.

Ms. Copps: It won't be in Hansard, because they delete it from Hansard.

Mr. Speaker: Order. If I may once again remind all honourable members, interjections are totally out of order; they are not recognized

in any way. I ask the co-operation of all members in stopping this practice of interjections.

Mr. Cassidy: That would take the fun out of it, Mr. Speaker.

Mr. Speaker: Order. Has the member for Wentworth North finished his question?

Ms. Copps: On a point of privilege, Mr. Speaker: I just want guidance from you. When there are interjections that refer directly to the issue at hand, my understanding is that they can be responded to; there have been precedents set for that in this House. It was very clear that the interjection from the Minister of Education stated that the money should come from John Munro's personal bank account.

Mr. Speaker: Order. That is not a point of privilege. It points out a problem with needless interjections. It makes it very difficult for me to hear the questions and the answers. You ask me to make a judgement call, and I am trying to concentrate on what is going on. I ask the co-operation of all members in stopping this nonsense forthwith.

11:10 a.m.

Hon. Mr. Davis: Mr. Speaker, I have been so intrigued by this brief discussion that I have almost forgotten the question. I think the honourable member really repeated the question asked by the member for Hamilton East (Mr. Mackenzie). Really it was repetitive, if my memory is correct. Was it, how are the people of Hamilton going to make up what might be a differential? Was that sort of the rough question?

Mr. Cunningham: Yes.

Hon. Mr. Davis: I think I answered it, but I will give the member an answer in case he did not hear it. I said to the member for Hamilton East—because I have discussed this matter not recently but on a number of occasions with the mayor of Hamilton—that this province supported the addition of this facility probably before the government of Canada did, I think it is fair to state.

If memory serves me correctly, I would say it really goes back to the time when the federal government enunciated a policy whereby they would help fund certain arenas that would accommodate National Hockey League franchises in any sort of expansion. I think this is how the Winnipeg arena qualified for certain assistance. Of course, during that period there was some debate as to whether the NHL would expand into the city of Hamilton because of the

proximity of the Maple Leafs franchise here in Toronto. The member will recall those discussions. He shakes his head. I always sensed that he does not know what is going on in Hamilton, but that happens to be my best recollection.

I said to the mayor when they approached this, even though they did not have and still do not have any confirmation of a NHL franchise, that in my opinion it was a worthwhile project to proceed with in any event. I think we made that sort of observation before a commitment by the government of Canada, and that commitment still stands.

As I said to the member for Hamilton East, and I will repeat it again, when the project comes closer to finality and when we find out what the specific figures are, I am very supportive of this project, as I am of every constructive thing that is being proposed in the city of Hamilton and as I was of the concept of the Urban Transportation Development Corp., which the member so violently opposed and which he has opposed everywhere else in North America. What I said to the member for Hamilton East stands: I will sit down with the mayor and talk to him about it.

Mr. Speaker: The member for Algoma.

Interjections.

Mr. Speaker: Order.

Interjections.

Mr. Speaker: I am sorry. The member for Essex North. You see what happens with needless interjections.

Interjections.

WATERMAIN CONSTRUCTION GRANT

Mr. Ruston: Yes, it is nice to be able to listen.

Mr. Speaker: I have a question for the Minister of the Environment. Can the minister tell me whether he has now had an opportunity to review and straighten out any up-front grants that he has for municipalities for installing watermains? Can he now give us a decision as to what he is going to do about the township of Rochester, which was supposed to get \$960,000 and which since has been told that it is going to get only \$90,000?

Hon. Mr. Norton: With regard to a general policy, Mr. Speaker, I am still in the process of preparing recommendations to take forward to my colleagues for the appropriate policy approval. It will still be a while before that process is completed.

With respect to Rochester, I must say that the more time I devote to that the worse the

situation seems to get in terms of the calculations. At the moment I have given instructions to the head of our legal services branch, who is heading the discussions and negotiations with the township of Rochester. I do not believe that since I have last discussed it with him he has had an opportunity to communicate with them, but I do expect that he will be in touch with them within a matter of days to lay out for them what the most recent calculations have indicated and what we might propose by way of a reasonable settlement with that municipality, because it is clear, unfortunately, that under the present formula funding it is highly unlikely that they are going to be in a position to proceed with their project.

As much as I regret the errors in the calculations that occurred some 18 months ago, the fact of the matter is that because of my financial responsibilities related to the taxpayers' money in this province I cannot ignore an almost \$1-million error and pretend it did not occur.

Mr. Ruston: I take it from the first part of the minister's answer that he is then changing the rules and regulations of the up-front grants. It appears to me that he is changing the rules and regulations from what they were a year ago, when the former minister signed the letter saying the grant was approved. He is now changing the rules during the game.

Hon. Mr. Norton: What I am proposing to do, and I have indicated it in a meeting with, among others, the member's colleague the member for Huron-Middlesex (Mr. Riddell), is to look specifically at the possibility of developing a policy with respect to rural servicing. It is something that has to be approached very carefully because of the tremendous cost implications when one is trying to provide servicing and when the units, housing or farming, are separated by considerable distances.

A year ago, whatever the date was when my predecessor signed the letter, I am sure he did it in good faith; but the fact of the matter is that the information which had been provided to him was in error, and the calculations were in error. It would appear that what was done is that the calculations were done on the basis that the services were being provided to an urban community as opposed to a rural community.

What we have done now is we have applied the correct calculations, and that is what accounts for the difference in excess of \$900,000. What I am trying to do now is to bring into place some clear policy and formula with respect to rural funding so that in those situations where there

clearly is a problem of water quality or water quantity, we would be in a position to advise the municipality as to what specific assistance was available to them.

JOB CREATION PROGRAMS

Mr. Wildman: Mr. Speaker, I have a question of the Minister of Natural Resources and terminal promises. Can the minister clarify his statement with regard to the job creation programs? I note in his statement that he only comments on the special mining employment program and the currently negotiated accelerated forest improvement program, for a total of 900 jobs. Can he tell us, in relation to all these programs, the total number of jobs now on line and those currently under negotiation?

I am sure he agrees that because of the tremendous downturn in the economy, thanks to the federal Liberal government's high interest rate policy, we have tremendous unemployment in the forestry and mining sectors in northern Ontario.

Hon. Mr. Pope: Mr. Speaker, I will provide the honourable member with some of those figures, if I can, next Tuesday in the House. I will send him over a list of what we have. The problem is that even while I was developing my statement this morning it became out of date, because we just signed five accelerated forest improvement projects this morning; so some of those on the list as being negotiated now are final. What I will try to do on Tuesday is to get the member the a listing of the different phases they are in and what we predict.

We will have trouble giving the member exact numbers of employees, because they flow in and out of the program. However, we will give him man-week projections for all three phases.

Mr. Wildman: Can the minister confirm that one of the problems his ministry has had in negotiating with the private sector for these programs is that many of the suggested projects have been very heavy equipment-oriented, and less labour-oriented, when the whole purpose of the program is to provide jobs? Is it possible that the private sector is taking advantage of this program to carry out projects that are not really labour-oriented?

Hon. Mr. Pope: There were one or two proposals that did have a heavy equipment component to them, but when we said we could not accept that kind of project they did change it. Now the understanding is clear that we will go only with labour-intensive projects involving

minimal equipment components and, even at that, at 50 per cent of the normal rental rates. I think that initial problem or misunderstanding has been resolved.

11:20 a.m.

PUBLIC SECTOR RESTRAINT

Mr. Wrye: Mr. Speaker, in the absence of the Treasurer, I have a question for the Premier on the budget. The Premier will be aware that the borough of North York has decided not to follow the Treasurer's plea for restraint in public sector spending and has voted itself a 12 per cent pay raise.

I am sure he is also aware that one controller in that borough suggested he was doing so because the Premier, the Treasurer and the cabinet were so generous to themselves last year. He must remember that the report of the Commission on Election Contributions and Expenses last year did not propose any increases for Ontario cabinet members, including the Premier and the Treasurer.

Why does he not admit that the cabinet should lead by example and roll back the \$2,300 pay raise it proposed for them last year, first, as a show of restraint and, second, as a saving of more than \$60,000 in tax money?

Hon. Mr. Davis: Mr. Speaker, if the honourable member did his homework correctly he would find it is the city of North York, not the borough of North York. I realize he wants more research funds; he quite obviously needs them.

If the member did a cursory analysis of the compensation paid to ministers along with their salaries as members over the past 10 or 15 years, he would find that on a percentage basis it probably has not increased as much as members' salaries. On a percentage basis, it probably has not gone up quite as much as some municipal leaders' salaries.

Mr. Wrye: In proposing his great show of restraint starting with the members' basic indemnity—and I have no objection to that; so he need not bother asking whether I do—why did he not propose a little restraint on the government side?

Specifically, why did he not suggest that the government could do without some of the 19 parliamentary assistants, especially in ministries like Government Services or Revenue, or assistants to provincial secretaries like the always-concerned Provincial Secretary for Social Development (Mrs. Birch)?

Why did he not suggest that the taxpayers

could do without the member for Middlesex (Mr. Eaton), absent today, whose only responsibility as a Minister without Portfolio appears to be to remember where his limousine is parked at the end of the day?

Why did he not suggest that since the chief government whip (Mr. Gregory) is already receiving an extra \$8,900 for his duties, it was a bit extravagant to add another \$11,700, plus a limousine, a chauffeur and all the other expense perks to make the whip feel important? Why did the Premier not propose this kind of restraint by example?

Hon. Mr. Davis: I guess one could take this to its ultimate conclusion and argue about House leaders, about whether we need as many whips, about people who serve as chairmen of committees and about the per diems that members of his caucus receive, sometimes tax-free, during the summer months. All these things might be mentioned in his question.

The member has not been in government; I do not intend to be here in perpetuity, but my guess is the member never will be. He will perhaps never quite understand the degree of responsibility and the time constraints imposed upon ministers and parliamentary assistants.

I have every respect for the member's colleague the member for Ottawa East (Mr. Roy). He only gets his member's salary plus whatever committee work he does, yet he is still apparently able to carry on a rather comprehensive law practice, which perhaps earns him more than he earns here in the House.

UNIVERSITY FUNDING

Mr. Grande: Mr. Speaker, I rise on a point of order to correct the record and to correct the so-called BSs that are continually thrown out in this Legislature. I am referring to the question that was asked of the Minister of Colleges and Universities. Unfortunately, the Instant Hansard is not available now, but I heard her say that on three different occasions she has made it clear the government would not accept the Fisher report recommendations.

As the Colleges and Universities critic, I am not aware of any such statement made by the minister. However, I went to the phone and called Will Sayers, the director of communications for the Council of Ontario Universities, and he has assured me that the Minister of Colleges and Universities has made no such response to the Fisher report recommendations.

Therefore, I would suggest that the minister

stand up in this House and correct her own record.

Hon. Miss Stephenson: Mr. Speaker, I did not make the first statement. I said the government had made the statement. The Premier made the statement on February 18 to the collected group of presidents of universities and chairmen of boards. Will Sayers was not very far away when that statement was made.

I have made that statement at the University of Western Ontario and at the University of Waterloo. I said very clearly that we could not accept the final recommendation, chapter 6 of that report, and that we did believe there were other routes to solving the problems. That is precisely what has been said by the government of this province, by the Premier and myself, on three occasions.

MOTIONS

HOUSE SITTINGS

Hon. Mr. Wells moved that when the House adjourns today it stands adjourned until 2 p.m. on Tuesday next.

Motion agreed to.

INTRODUCTION OF BILLS

CLASS ACTIONS ACT

Mr. Swart moved, seconded by Mr. Philip, first reading of Bill 122, An Act to provide for Class Actions.

Motion agreed to.

Mr. Swart: Mr. Speaker, the purpose of this bill is to provide a statutory procedure whereby one or more persons may sue a defendant in the form of a class action. The bill is designed to achieve this purpose by permitting a person who wishes to sue on behalf of a class to apply for a court order authorizing the class action. Once the order is obtained, the action proceeds as a class action and the final judgment binds all members of the class, except those who have been excluded, as well as the parties to the action.

ASSESSMENT AMENDMENT ACT

Mr. Philip moved, seconded by Mr. Di Santo, first reading of Bill 123, An Act to amend the Assessment Act.

Motion agreed to.

Mr. Philip: Mr. Speaker, this is the battle of the wine cellars in basements. The purpose of the bill is to exempt home improvements from assessment under the Assessment Act if the

improvements do not enlarge the living space of the home and if the cost of the materials for the improvements does not exceed \$10,000.

11:30 a.m.

ORDERS OF THE DAY

BUDGET DEBATE

(continued)

Resuming the adjourned debate on the amendment to the amendment to the motion that this House approves in general the budgetary policy of the government.

Mr. G. I. Miller: Mr. Speaker, as the member for Haldimand-Norfolk it gives me great pleasure to rise and speak on the budget that was presented on the fateful day of May 13, 1982. As we wound up the Legislature last evening the member for High Park-Swansea (Mr. Shymko) was really giving it to the federal government and pointing out its responsibilities.

I would like to indicate to this House that I have as much concern as the member from the government side, but I think this is a time in our history when all levels of government have to work together in order to bring back prosperity to this great province and this great country of ours. I would also like to indicate to the House that after May 13 and our actions of last Friday, I have no regrets that the members of the Liberal Party stood up for the people of Ontario and let them know that we are here to support and protect their interests.

Mr. Rotenberg: But you were not here; you left. You should have been here.

Mr. G. I. Miller: As the member for Wilson Heights indicated, we did have 15 members here over the weekend to show that we had some responsibility to the people of Ontario. We were in this Legislature at the odd time to make sure things were being covered and to protect the interests of the people of Ontario.

It is not easy being in the opposition. I think I drove down to Toronto twice on Saturday afternoon so I could carry out my responsibilities. We do not have the opportunity to have a chauffeur; we do not have airplanes to take us from here to there. We have to get here on our own. I am not complaining, but I am still dedicated, as our new leader and the other members in our Liberal caucus are, to protecting and trying to improve the welfare of the people of Ontario.

When the throne speech came out at the beginning of this year we had considerable hope that we could look for some improvements for

the industry, the farmers, the small business people and the home owners in this province; but when the budget came down, unfortunately, any hopes we might have had for this session were doomed from the very outset.

Ontario's economy is in deep and serious trouble. Thousands of jobs have been lost in recent months, bankruptcies have become almost commonplace, people are afraid of losing their homes and our young people see little hope for their future. This budget has not done very much to protect the home owner and the farmer or to encourage young people who are looking for permanent jobs. They are basically on temporary jobs. The government is advertising that they are going to produce 31,000 jobs. Only time will tell if that takes place. The whole spectrum of employment has to be looked at and I think we really have to zero in on it. The provincial budget of May 13 will, if anything, just create further confusion and hardship.

During the last provincial election the Premier (Mr. Davis) was indicating to the people that he was going to keep the promise, while we were pointing out that the financial position of many businesses and industries was doomed; and this has really happened. I can say quite honestly that I only wish we had been wrong in the assessment of the facts.

Who would have dreamed at that time that our agriculture industry would be in the dire straits it is today? Who would have thought that this government, already in debt to an irresponsible degree, would add to Ontario's financial problems by buying 25 per cent of Suncor?

Who would have imagined the incredible difficulties that would be experienced in connection with our medicare system? Again, costs are being put back on the local taxpayers through the Ontario health insurance plan premiums. Seventy per cent of OHIP premiums are absorbed by employers, municipalities, small business and heavily unionized industries. The cost of the private sector services and goods can be expected to rise.

I have many concerns regarding the budget and what it will do to my riding of Haldimand-Norfolk. This government's record of failure in that area is well documented and primarily concerns the large expenditures on land assembly. Its record is one of taking the roots out of existing communities while expecting them to pay the bill. The record to date is one of poor return on investment and I am questioning what plans there are to get a better return. I do not think anything in this budget indicates we are

going to get a return from the land that has been assembled.

I would like to make one recommendation to the government at this time. We could be returning the land to permanent ownership, again giving some roots to those municipalities where they have been eroded. South Cayuga would be a good example where the land could be put back under the Ministry of Agriculture and Food. An experimental station could be established in the area utilizing perhaps 100 or 200 acres of that land to promote better farming practices, improved drainage, woodlot management and production of new types of seed so the area could again thrive as an agricultural area in that part of Ontario. The southwestern Niagara region certainly needs a boost and that would be good use of the land.

South Cayuga is a prime example of land assembly. It has been called many things and at present is in a state of limbo. Basically, it is farming land purchased by the government within the last two years. It has gone from dream city to dump. For the most part, the land has been rented back on a year-to-year basis and sometimes for a longer term without promise of a real future on that land. There is little incentive for a farmer to use good farming practices. He just uses the land for cash crops and takes what he can from the land in that time frame.

There is a tremendous need for some long-range planning to utilize this resource in the best possible way. It is excellent to good farm land and, under proper management, could be brought back to its former high production status. I hope it will not be long before some firm decisions will be made as to the ultimate, proper agricultural use of this land. That also goes for Pickering and other land holdings in the province.

Has this government given any thought to what it will do with this in the future? Existing towns in this province are suffering while governments introduce new and wonderful programs. What plans are there to put some heart back into these existing communities?

Again, my municipality is a good example. In Dunnville, unemployment is running at 25 per cent. The Essex International car manufacturing or harness assembly plant was closed some two years ago. The plant has stayed empty. I wrote to the then Minister of Industry and Tourism (Mr. Grossman) some two years ago and I have also been in touch at the federal level to see if they could co-ordinate some plan to

zero in and give this municipality some direction. Up to this time, that has not come about.

What plans are there to put some heart back into these existing communities? In the region of Haldimand-Norfolk—again a creation of this government—the town of Dunnville is in desperate need of employment opportunities. Plans are in the offing for a large dry-dock facility at Port Maitland which could give new life and growth to the Dunnville area. It is hoped that the Board of Industrial Leadership and Development or some other source of encouragement will be given to the Misener firm to locate this facility at Port Maitland in order to provide the employment opportunities so desperately needed there.

11:40 a.m.

The throne speech indicated there were going to be programs and encouragement along this line, but nothing has come about up to this point.

At present, in Dunnville, there are several plants which have had to close, a story which has been repeated in many communities throughout this province. There is an auto parts plant which has been empty for two years and to which I just referred. When companies are planning to locate in Ontario, why are they not encouraged to take over these existing plants and take advantage of the trained work forces that are available, instead of them building new plants?

Another example is the town of Waterford. Although it is not in my riding, but in the riding of my colleague the member for Brant-Oxford-Norfolk (Mr. Nixon), it is within the regional boundaries of Haldimand-Norfolk. At present, the town is faced with the sale and ultimate closure of the Canadian Cannery Ltd. processing plant. It is a great agricultural area producing that line of small fruits and horticultural crops. Through the programs of this ministry, along with the Ministry of Agriculture and Food, I hope that we can maintain those small operations which are so much needed, which provide so much employment and are so important to that type of a community.

Two years ago this town also lost its largest manufacturing plant, Duo-Matic, leaving a large number of unemployed in that community. Many people lost secure positions at Massey-Ferguson and White Motor Corp. and others are still searching.

Many of those people who have lost job opportunities are in a bad position as far as their homes are concerned. Many of them are losing

their homes. This budget has not seen fit to do anything for those particular people who are in that position. It encourages the purchase of new homes through the \$5,000 grants but as far as assisting the existing home owners to maintain their homes and status in the community, there is nothing.

Serviced industrial land exists in many communities and is not being utilized. Why does this government not take an inventory of the vacant plants and serviced industrial land already in existence and make an effort to support those areas of high unemployment with the location of new manufacturing and processing plants where these serviced lands and buildings exist, rather than opening up new locations? Unemployment is running high throughout the province and it is especially high in my area. An ever-increasing number of calls are made to my constituency office every day, owing to layoffs and plant closings. The number of people on welfare rolls is increasing at a rapid rate, which places an impossible burden on municipalities.

There are a number of possibilities for make-work programs. If these were initiated by the province, they could grow into permanent employment opportunities.

We are receiving many calls at the present time because of the layoffs taking place because of Stelco. These are not layoffs from Stelco itself but from companies that work on its behalf. Stelco is hiring people from offshore. It has been brought to our attention that qualified Canadians are not getting a fair chance to be hired for those jobs. We have been in touch with the president of Stelco to bring this to his attention, but I would also like to bring to the attention of the Minister of Education and Colleges and Universities (Miss Stephenson) that there is a need for retraining programs so that our workers can be protected. We certainly do not need to import workers at this time with the unemployment rate running as high as it is. We have the talent and we should be giving priority to Canadians.

Another area of opportunity which could be useful for providing employment in Ontario: We have a firm known as Straza Tire Service, which is a firm that collects old tires, now has a pile of 10 million tires stored on its property and would like to come up with a recycling program. There are no other facilities of any extent in Ontario—they are only in the United States—which recycle the rubber to make a product used for carpeting, for example. We have been in touch with the former Ministry of Industry

and Tourism, and the Ministries of the Environment and Natural Resources to try and encourage the utilization of this pile of tires.

The member for Downsview (Mr. Di Santo) has come over to look at the picture. He is in favour of getting tire-recycling on the road.

I might add that the firm has the contacts to pick up these tires around southern Ontario, and there certainly is a need to make our environment look better. As well, the end product would be useful and would take the place of imported products. This is an example of private enterprise. The project would provide jobs and help to stimulate the economy. It would do something for Ontario.

Another proposal I would like to make to the government concerns the firm of Abbott and Townsend who run the sawmill just north of Langton. They have come up with a proposal to utilize wood chips for heat purposes. They would like to tree farm and forest manage our woodlots in southern Ontario.

It may come as a surprise to many northern Ontario members that southern Ontario produces a tremendous amount of energy through wood. It has been lying dormant for 20 years because of an excess of gas and oil and cheap competition, and now it is waiting to be developed and utilized. Abbott and Townsend propose using these wood chips for heating greenhouses, and they can also be utilized in the steel industry.

This firm has some market in the USA, in the areas of Niagara Falls, Fort Erie and Buffalo, and feels there is a great potential that it would like to develop. I support it wholeheartedly and, again, have been working with the Ministries of Natural Resources and Energy, trying to promote and develop that.

The firm would like to commence this year. The requirements for this process are a chipper machine, which costs about \$175,000. The other machine required is a manoeuvrable tree trimmer. It takes up very little space but, again, it is expensive, in the \$100,000 range.

Incidentally, these machines are American-made but come from North Bay. Perhaps they could be produced here. The potential for developing that side of it is tremendous also.

I might add that this particular sawmill produced something like three million square feet last year. It is one of the larger mills in southern Ontario, but there are several more. At Port Dover there is Porter Lumber Ltd., which saws several hundred thousand feet a year.

The proposed process would assure that 75 to

80 years from now we would have the same adequate wood and lumber supply that we have now. If we protect that resource it will always be there because it is renewable. All we have to do is manage it and farm it properly. I think that is an area which could provide much satisfying work for many people in Ontario.

Most people do not choose or enjoy being on welfare. They would prefer to work for their living if at all possible. Every day we find that people do not want welfare, but when they have no place to go that is what they have to turn to. Why not create some opportunities for employment that would lead to a healthier, better situation for everyone?

A program of assistance to sell the community of Townsend has been supported financially and in every other way by this government. Why not make the same type of assistance available to other areas to promote the construction of new homes on existing serviced lots, giving an incentive to the building industry and providing a choice of location to the purchaser?

11:50 a.m.

Again, as I noted before, this budget indicated \$5,000 loans to first-time home owners. We are in a situation of high interest rates at the present time, and we all realize it is devastating to our total economy and that there is no way a farmer or a business person can borrow money at that rate and survive very long in the competitive market.

Going back to Townsend, I think they have come up with a special rate for the housing there: 14 per cent. I know the minister has indicated that this was established a year or so ago and the money was locked in. I would just like to bring to members' attention that there are many thousands of lots in Jarvis, Simcoe, Port Dover, Dunnville, Cayuga, Hamilton and Brantford, and there are houses sitting there. If the same interest incentive were provided to them it would get those houses on the market.

I might add that they are all serviced and they are all sitting there. A good example is Port Dover. In 1975 there were 450 lots sitting there; the hydro, the streets and the sidewalks are all in. Fifty per cent or even 75 per cent of them are still sitting there growing weeds. The roads are getting out of kilter. What has this government done about it? What kind of policy has it come up with? Nothing to assist them. They are only protecting their own seats by supporting Townsend, and that is the thing that really burns up so many people in our area.

The principle of Townsend might well be

good. It is going to provide homes and it is coming along as a nice community, no doubt about it. But the money that is spent there! The people see that I have worked like H to provide recreation in Jarvis and in Port Dover and have contributed my dollars, but in Townsend it is already there, provided by our tax money; and I think that is the thing that really hurts.

There are many people who have been in the development business and housing. They have seen their developments go down the drain financially and otherwise because they could not finance them, while all the time this government really did not care. All they are concerned about is protecting their own seats.

I would just like to point out that, although a lot of people say the Liberals do not have alternatives, we did have alternatives for this very purpose as early as 1980. I think it was announced on April 17, 1980, by our former leader, Stuart Smith, and our present leader, the member for London Centre (Mr. Peterson), then Treasury critic, that this program would give short-term help to home owners, farmers and small businesses. Yet nothing has happened. This government has sat back and let the home owners, the businessmen and the farmers go down the drain.

I might add that if the beef farmers who were here last fall trying to protect their interests had obtained some financing to hold them there, today they could be making a profit. We see where the price of beef has gone: from 70 cents up to 95 cents. That is good. They could have bought at a reasonable rate, and they could have got a good return. Did this government come to their assistance? It just kept dragging its feet.

It really burns me up to see those young people who will soon have to return to welfare or some other mode of life. They want to farm.

This morning, I had a call from a young couple who indicated that they are trying to get farm assistance help. They said, "We cannot get it." They go into farm credit, where they were told, "Well, if you do not get one, you cannot get the other." They are in a bind. They want to farm. He is 34 and she is 32. They run a pig operation of 570 at the present time, and they cannot put the crop in because they cannot get their financing. They said, "You should back off and just run your pig operation and rent your land out." What are they going to feed those pigs when their feed runs out? She indicated their supply is going to run out by October.

It does not make any sense to me. If the minister could just give a little help now, with

the price of pork going the way it is, they could survive and be comfortable in another few years. All they need is to get over these rough spots. Because of the high interest rates of last year, 25 per cent, there is no way they can survive. Nobody can survive under those conditions; there is not that kind of profit in any business.

Mr. Wildman: What is MacEachen doing about it?

Mr. Boudria: Ontario does not care.

Mr. G. I. Miller: I know. I heard what the member for Algoma (Mr. Wildman) said about the federal level. We should see some support coming from the province. This is the area we are elected to represent. This is the area where we have to stand up. If one could see some support coming from the province rather than just kicking it all back to the feds—

Mr. Wildman: Neither one of them does anything.

Mr. G. I. Miller: We would see them move. It would put some pressure on them. But everybody is waiting. They are waiting for people to go broke. They are waiting until it is too late. Then they try to come to the rescue and they will pay for it in other ways.

They are going to pay for it in the export market. We have had sales of wheat of some \$2 billion to China, a great contract. Are we going to be able to fill it? We want to make sure because that concerns the balance of trade. Again, with corn in Ontario—

Mr. Wildman: Jack Horner will make sure you are able to deliver the wheat, don't worry.

Mr. G. I. Miller: Well, he is a scapper. He is a good westerner. He could well do what is needed with the job.

Mr. Boudria: He'll do a great job.

Mr. Ruston: I'll take the member for Prescott-Russell (Mr. Boudria) out for a walk.

Mr. G. I. Miller: No, it's okay. I just want to make one more point as far as southern Ontario is concerned.

We have gone from producing 170 million tons of corn in Ontario in 1980 to 750 million tons in 1981. One can see what kind of an increase this is. Do the members know what that means to our export market and our surplus of trade? It is just tremendous. Think of the trucking that is involved. One cannot believe the spinoff effect. For example, the fertilizer that is being used stimulates the trucking industry. Everybody gets a piece of it. One may not

think so, but agriculture is the engine that really makes the economy tick in this great country of ours. Yet it gets the least support.

In this budget what did we really get? We got a bit of help for the beef farmers, but just a dribble. We got \$30 million for tile drainage. I might add that an example could be utilized there where that \$30 million that is being put in really costs the taxpayers \$10 million when one considers what it costs on a yearly basis because the interest rate has been increased to 10 per cent. So a \$30 million investment costs the taxpayers \$10 million.

In the BILD program, where they talk about utilizing \$650 million, they give it out and there is nothing in return. It is our money they are giving out. I do not mind them supporting those industries, but why should we not be able to do the same thing by providing a loan at four per cent or five per cent? I think they would be happy to get it. We would get something in return and it would help more people.

This way we are just helping a few. It is a gift and I think it is wrong. It does not stimulate. It is just a one-time shot. In the long range it is not assisting enough people. I question whether small businesses are getting a fair opportunity through this fund. I know that in our area we have been successful in getting some storage facilities through the program; it is going to be useful, but I think it could do so much more if it were properly managed.

This government should zero in on taking an accounting of housing that is available and needed, and of needed and available industrial sites, and work to promote these rather than create new ones, as I was saying before. I might add that the Minister of Municipal Affairs and Housing (Mr. Bennett) and the Minister of Industry and Trade (Mr. Walker) were in our riding a week ago. Again, for the information of the government, they had access to the plane so they could be back here for the vote of confidence on that Tuesday night. I thought I left in enough time to be here but I ended up arriving at 5:58 p.m. because I got into a traffic jam at Bronte while they were able to fly back to Toronto. They kind of had the laugh on me.

12 noon

Mr. Wildman: They did not give you a ride?

Mr. G. I. Miller: No, they would not assist me at all. I did not really ask them, to be honest about it.

Again, we were glad to have them come to the area. We did open the new industrial park in

Delhi and we were glad to have the opportunity to do so. As long as they are the government we are always proud to have the ministers come in, see what we have and assist where they can. We will certainly encourage that.

The government has indicated that the Board of Industrial Leadership and Development program will assist drydock facilities. There is tremendous potential for facilities in my riding. I would hope that encouragement and assistance will be given to the firm proposing the facility, as mentioned earlier.

The government has indicated that grain facilities, rapid transit, the auto industry and others will be assisted through BILD. In fact, a great amount of weight has been placed on the BILD program and the miracles it will produce.

Hamilton has been left out for years as far as rapid transit and GO Transit are concerned. While it is one of the biggest municipalities in this part of Ontario, there is no regular connection by rail with Hamilton. It is ridiculous that it has taken so long to make that connection.

The station facilities in Hamilton are obsolete. If the government members had ever utilized this system they would know it is like going down a ravine to get to the station. It is almost impossible for older folks. This government has forgotten Hamilton as far as a connecting link is concerned. While it says it wants to put in rapid transit and spend that kind of money, maybe it will be good in the future, but I think the first phase they should attempt is to improve the connection. They should also be making plans to extend it to Nanticoke.

We have a tremendous future in Haldimand-Norfolk. It will be the industrial heartland in years to come. Stelco now has the most modern facilities anywhere in the world. They have produced their first million tons of steel, much ahead of its proposed plan. It is a very efficient plant and it will certainly stimulate Ontario, as it has done in the past 10 years, in the next generation. This is only the beginning.

We have to make plans now to connect that transportation link to Nanticoke.

The Minister of Transportation and Communications (Mr. Snow) made his announcement the other day that he was proposing jobs. There is one area there that he could zero in on to provide a lot of jobs, not only for that area but the spinoff effect would help Toronto, it would help Hamilton, and also Ontario as a whole. We need the assistance there.

In 1977 we had the Brampton charter with all of its promises. What has happened under that

program? If we look around Ontario we could ask if we have gone ahead. Have we gone ahead? What are our little towns doing? Who takes that responsibility? Should it be us, or should it be the government? I think the government should take its share of responsibility because every municipality is in need of help. We have to zero in on not just government members' municipalities but we have to concern ourselves about an organized attack to help them.

Jobs have never come about. There has been little, if any, growth. We have not moved ahead. Now we have the BILD program which I referred to before. It is a new program, or the old one dusted off with a new name, but is it just more words or can we really expect some success under the Board of Industrial Leadership and Development? What real programs and signs of renewal can the province expect to see?

In the field of agriculture, great stress has been placed on the assistance that will be given to farmers, but this industry finds itself in dire straits and more farmers are going bankrupt than ever before. Farmers are not looking for handouts; they are industrious, hardworking people. What they need from government is assistance in the marketing of their crops. There is nothing truer than that. The Minister of Industry and Trade could take some responsibility in that field and give some assistance in marketing. When the Treasurer goes to Japan, as he will shortly, he certainly could be promoting our agriculture industry, the crops we have. I think he is going only to look for more money. That is the unfortunate part.

Getting a fair return on investment, that is all a farmer needs in order to stay alive, and an even greater emphasis on the promotion of Ontario's produce and relief from the back-breaking interest rates that are pushing them to their knees. The Ontario Flue-Cured Tobacco Marketing Board is an excellent example of what can be done when the selling of a product is done with the co-operation of farm organizations and provincial and federal governments.

This province needs to play a much greater role in selling our farm produce. I might add that by working along with the province and the federal government, farmers would be able to get money for their products by the end of the season. But there has been no leadership in this respect as far as this government is concerned in helping the corn farmer, the wheat farmer or the

bean farmer. Again, this is an area we should be zeroing in on.

This brings me to the environment field. The Minister of the Environment (Mr. Norton) is sitting there; I hope he is not going to leave for a moment. He mentioned that there was \$6 million to improve water facilities and sewage facilities in the province and that it is going to create X number of jobs.

I would just like to make a point. This is pretty good water—

Hon. Mr. Norton: Are you sure that is water you have in that glass?

Mr. G. I. Miller: I think everybody in Ontario should have access to it.

Hon. Mr. Norton: That is what Sir John A. Macdonald used to say, but it wasn't water he had in his glass.

Mr. G. I. Miller: Today this is all that is in mine.

Mr. MacDonald: It is better water than down in Haldimand-Norfolk. It is very flaky down there.

Mr. G. I. Miller: I want to make a point to the minister while he is sitting there. This is nice water, but where we live a waterline goes by the door and goes on to Hagersville. I want to say thanks to the minister and to the federal people too; I think it is a federal-provincial project. For us to get this kind of water I have to go over to my mother's at Jarvis with a five-gallon plastic can and bring the water home for drinking purposes. We have a well at the barn and a cistern. When this line goes past the door it should be made available to everyone. Everybody in Ontario should have the right to have water supplied. I know the minister will say it is only water, it is the responsibility of the region to provide that service and they just put in the main lines.

Hon. Mr. Norton: We cost share in the region in putting in the services.

Mr. G. I. Miller: I know you do; you subsidize that too. All I am saying is we should come up with a program to encourage the ones along those lines, because it is possible and it should be possible for everyone to have access to it. I certainly would not ask for it myself as a member of the Legislature if I could not get it for everyone else along the line. I hope the minister will give that some consideration and come up with a plan to alleviate that. Everybody should have a right to the water if it is available, and we can make it available.

The other thing I am concerned about is the environmental legislation available to give people access to hearings and decisions that will affect the environment in years to come. I go back to the point of the sale of our hydro from Nanticoke, the cables going to Erie. We have never been against the sale of that hydro. We have a tremendous surplus of power and we should be utilizing it.

12:10 p.m.

At the energy board hearing in Ottawa I said that if there is going to be a sale we should be selling clean power, we should be putting scrubbers on the Nanticoke plant which will clean it up to 90 per cent efficiency, which would be a great improvement and would provide job opportunities.

I think the Ministry of the Environment should move in now, because I know by a press release May 13 that they have been given approval by the National Energy Board. We should assure the people of southern Ontario that they are going to be protected by providing those scrubbers and the work program spinoff would be tremendous.

The sale of hydro to the US, the decision to produce and sell excess hydro for profit is all very well and good, but the number one priority must be the people and the environment. The plants used to produce that hydro for export must also be made safe from excess production of acid rain and other pollutants before, not after, there is a problem. Our lakes and our lands must be protected for future generations to use and appreciate.

The minister well knows we have a tremendous fishing industry in Lake Erie. We want to protect it. We do not want to see it going the way Lake Ontario has gone, where the fish are either not safe or of poor quality. Lake Erie is tremendous and we want to protect it for future generations. Our fishermen have also expressed concern over the effect of the hydro sale to the US. They deserve an opportunity for input into the proposal.

Government should be a source of leadership. However, in recent years it has been more of a system of pushing people around and a lack of any real sense of caring. For example, we have a situation in the hamlet of Nanticoke where only a few hundred people have for generations farmed, fished and lived quiet, rural lives. They are now living between Stelco and Hydro and Texaco within one lot. They are caught in a squeeze with noise, smell and dirt.

I know the latest techniques have been used, I

know they are trying to be good citizens, I know they have bermed the property, I know they have done all these things, yet if members had been down there this past winter they would have seen that the drift off of the iron pellet pile and the coke pile at Stelco was unbelievable. The snow off the drift from those piles of coal and coke was about the colour of my pipe. Some of the older citizens have had health problems because they cannot stand the noise. Stelco added new berms between the scrap yards and has tried to maintain them. They have tried to be good citizens but, again, the older people cannot adjust to it and there are some who really want to sell and move out.

The city of Nanticoke made a study but I have not yet received the recommendations. However, I think this government has to give some consideration to the concerns of that little municipality and take some responsibility, along with Hydro, being a provincial entity, an arm of the government. Stelco has set a precedent, the whole area has set a precedent, by offering to buy the cottages in the very beginning. Hydro has bought cottages to the east of its property, but I think it is the responsibility of this government to come up with some plan to assist those people who have been caught in a situation not of their own making and to help them relieve their hardships.

Property has dropped in value. The people cannot afford the cost of relocating without a fair return on their homes. In some instances, their health has been affected along with their drinking water. Soot and ash cling to their surroundings and they feel a sense of betrayal. Now they are asked to swallow a proposed production increase from the hydro plant, along with a change in the system of dumping ash, without the benefit of an environmental assessment hearing. When is this government going to stop ignoring people?

Once a large and flourishing enterprise, the commercial fishing industry in Ontario has been a victim of industrial expansion and the resulting pollution of our lakes. We should be using every possible means to protect this industry from contamination, and endeavour to become more self-sufficient in this area of food storage.

More effort is also needed in the area of shoreline protection from erosion. Programs for assistance to property owners and municipalities should be more readily available, and these people encouraged to seek erosion-control methods rather than being discouraged from doing so.

This is another issue which has been a long-standing concern of myself as a former reeve of the municipality of Walpole. We were able to protect roads when the lake was gnawing away at them. The government would provide an 80 per cent grant to the municipality and the municipality would pick up the remaining 20 per cent. However, when it comes to the property owners, there is no program available.

In this budget there has been no mention of providing funding to protect shoreline. I know it is not possible to rock it from one end to the other, but where the assessment warrants and the value is there, and where it is possible to do it under a planned attack, there should be some money set aside; not \$400,000 or \$500,000, but a few million dollars. The grant to the property owners should be on the same basis as it is to the municipality.

The job spinoff from this would be tremendous. It is going to take armour rock, and trucking it would provide employment for unskilled workers, which is an area which needs attention. It will give jobs to people who do not have the education or the qualifications to acquire and use modern techniques and technical equipment.

If we look at the overall population of Ontario, we see that approximately one out of every four adults living in large urban centres in Ontario has less than nine years of education. That is a pretty startling fact. We have to zero in on it and provide jobs for these people. They cannot all be using computers; we need some for manual work. That to me is a must.

Our Liberal Party realizes and understands that need and we would certainly be in a position to do something about it. I hope the government will take note and try to provide job opportunities such as the shoreline protection program. The government would be doing three things: protecting property, providing jobs and stimulating the economy as a whole. It has to be a good program.

This government has placed more and more costs back on local government. Shifting the tax burden from the province to the municipality is like crying about cutbacks from Ottawa. That is what we really heard last night: that Ottawa was putting the pressure on us. But this budget has done exactly the same thing to our municipalities by putting a tax on building materials and on building new educational facilities. I assume the new Haldimand-Norfolk region administration building, which is a \$3-million project, will come under that very tax. That will represent a

considerable added cost to the taxpayers of Haldimand-Norfolk.

12:20 p.m.

I might point out, too, that the school boards are in revolt against the tremendous tax increases to property owners; particularly the separate school board in Haldimand-Norfolk, which is a joint board. The parents, the property owners and the board are at odds. The only reason for this is that funding is not being provided by this provincial government at an adequate level. It is putting more responsibility on the backs of the taxpayers who are overburdened now. I think for many years our proposal has been that at least 60 per cent of the tax should be provided by the provincial level so the property owners are not burdened beyond the realm of possibility of paying those taxes.

Powers once controlled by the province—

Mr. Di Santo: How long do you have to go?

Mr. G. I. Miller: I am getting near the end.

Mr. Di Santo: You are making a good speech. Congratulations.

Mr. G. I. Miller: Thank you.

Powers once controlled by the province are being given back to the municipalities, but with the transfer of power there is no accompanying transfer of funds to carry out those responsibilities.

The burden of additional programs in education alone is pitting school boards against municipal governments and taxpayers. Impossible demands are being made for cutbacks which cannot be achieved if Ministry of Education policies are to be followed.

Under the present system, there is no chance for equal opportunity for education for all the children in this province. Enrichment and special education programs can be elaborate in high population areas, while in less populated jurisdictions they are barely adequate. We need to take a look at our priorities. While buying shares in an oil company, we have failed to look after the greater resource, the proper funding of the education of our children.

Much blame has been attached to the federal government for our financial problems. Yet is it not true that in most provinces programs have been developed on high interest rates, farming needs and employment programs, etc.? Why not here as well? If our young people are to be trained to take over jobs in industry and technology, is it to be done through cutbacks in our community colleges?

There is an increased need for medical ser-

vices with the growth of our senior population. Is that to be achieved through cutbacks in health care and hospital facilities? If our poor and elderly are to achieve some measure of comfortable living for their remaining years, is it through cutting social service budgets and lack of adequate low-cost housing that we will provide for them? This budget has clearly indicated a cutback, something like two per cent.

The budget automatically causes inflation to our whole system when it really did not need to happen. The government bought Suncor for \$650 million, with an annual cost of \$60 million in interest, and a jet for \$10 million when we could have had the same service from private operators. These things did not really need to happen.

They did not need to take that extra money from the little person who cannot afford it, from kids going to school, from kids who want to buy a hot dog or a puppy from the store down the street. I think it is ridiculous we should be putting this responsibility on the taxpayer at a time when everybody needs every cent he can get just to stay alive.

How long will it be before every municipality can look forward to home care programs for chronic care patients? Again, I will use my municipality as an example. We could use senior citizens' accommodation in Cayuga and in Port Rowan so that older folks do not have to go to Grandview or Norview, 25 or 30 miles away.

It would release homes that would be affordable to the average home owner, not by a \$5,000 grant or loan to buy a \$90,000 or \$70,000 house. With interest rates of 16 per cent, who can afford to carry that unless two people in the family are working, or unless they had a home once before and perhaps rented for a couple of years?

It should have been broadened to make it available to all home owners, whether new or old. It could stimulate the housing industry, which would be good. We are putting people in a financial position they should not be in, but if we could help them get into a home of their own at a price they could afford, it would be in their best interests in the long run.

Undoubtedly, the problems we face are complex and difficult to solve. But the problems of the elected representatives are nothing compared to those of individuals in this province who, through no fault of their own, are facing real, severe and lasting hardships. Is there

anyone in this House who is fearful of losing his or her job at this time?

Mr. Wildman: Mr. Speaker, I rise to take part in this debate on the Conservative budget with a great feeling of disappointment in the fact that we are having to debate this kind of budget when we face major problems in our economy. The Treasurer has made a great deal out of his job creation record but he fails to spell out what has happened since his last budget. The record is dismal.

Since April 1981, this has been the record. The official unemployment rate has gone up by 89,000 people. However, when one considers the hidden unemployment, those people not counted by Statistics Canada because they are no longer looking for work in this province, one has an additional 117,000 jobs missing and people who are looking for work. The number of jobs lost in recent months is 31,000. Of course, when one looks at what is happening in manufacturing in southern Ontario, one finds that 55,000 jobs have disappeared. The record is clear. We have 575,000 people in Ontario who cannot find work.

All this budget proposes is 31,000 temporary jobs. There is not a single proposal in the budget that really approaches the major problems we have in manufacturing, food processing and the resource industries. I have some serious concern about the whole attitude of this government.

In my riding, a riding which has been dependent upon resource development for many years, a riding which contributes a great deal to what has been the wealth of this province since the wealth and the whole manufacturing sector in southern Ontario would be nowhere without the resources of the north, we now face 11.3 per cent unemployment. That is the official unemployment rate. Those people are listed with Canada Manpower, looking for work, are eligible for unemployment insurance benefits and are listed by Statistics Canada. The real figure is higher than that.

In the north end of my riding, we have hundreds of woodcutters who have been laid off, sawmill workers who have been laid off and sawmill operations that have completely closed down. The whole woods operation of Abitibi-Price sawmill in the small community of White River is shut down. The workers have been laid off indefinitely. The company does not know how long it will be; they said it could be up to a year or more.

12:30 p.m.

The people affected, who were encouraged by the company to buy houses in the community, no longer have jobs; but they have mortgages to pay. They have nowhere to go. Some have sought work out west, but the situation in the woods industry in the west is just as bad.

We move on to Wawa, which is the largest community in my riding. We have there, for the first time in a long time, a number of layoffs and a full month's shutdown in the summer of the Algoma Ore division of Algoma Steel, located in Wawa. So we have miners out of work.

Sault Ste. Marie, which has been generally insulated from the economic downturns we have experienced in the last few years in this province, is now feeling the pinch because the Canadian-owned steel industry in this country is finally being hit by the spinoff from the serious problems we are experiencing in the manufacturing sector in southern Ontario.

People who have worked for 10 to 15 years at Algoma Steel are now on layoff. This is unheard of. We have not had this kind of situation in Sault Ste. Marie since the 1930s. When a major employer like Algoma Steel lays off workers, it affects the whole community.

In the southern part of my riding we have a number of farmers, some of whom work off the farm as well as on it, and others who are full-time farmers in dairy and beef operations. These people are in a terrible cost squeeze. Many of them are losing their farms because they are unable to make their mortgage payments or their interest payments on capital loans for the purchase of the farm or for ongoing operations such as feed and fertilizer.

The other major employer throughout my riding is tourism, where we have the same serious problem that we have in the whole small business sector. The small businessmen are being hit by interest rates such that they cannot meet their payments. They are having to carry inventory that is not selling. People are out of work because of the layoffs and are not purchasing. The retail sector is in serious difficulty, and there have been a large number of small business bankruptcies.

Then, of course, we have the home owner who has purchased a home and is having his mortgage renegotiated at a higher interest rate. The mortgage payments are doubling. With the lack of jobs, it is more difficult for the spouse to get a job to help make those payments, and so we have people losing their homes.

As well, we have the terrible tragedy of those people who are ordinarily disadvantaged in our

economy, such as native people and women, for whom there are very few jobs in northern Ontario, and certainly very few of the traditional jobs. We also have a large number of young people, many of whom have finished school and are trained, who cannot find jobs.

When I say I am disappointed, I am. I am most disappointed that, in the whole province, all this Treasurer has to offer those kinds of people is 31,000 temporary jobs.

Where is our society headed if the young people in our communities become discouraged and conclude that it does not make any difference what kind of efforts they make, there is no hope? They are not going to be able to find a job. They are not going to be able to get married, have a family, settle down and have a nice home.

I have not even dealt in my opening remarks with the tremendous social needs we have for various types of services in our communities, the small, isolated communities in the north that require funding but were ignored in this budget.

I want to concentrate on what I consider to be the major problems facing our economy: high interest rates and unemployment. The two, of course, are related. I will admit that it is not the fault only of this provincial government that we face these problems; nor, for that matter, I suppose, is it the fault only of the federal government. There are major economic problems affecting the whole western world and all western economies.

I am sure you will agree, though, Mr. Speaker, that it is certainly the responsibility of governments, whether at the federal or provincial level, to respond to the immediate needs of their people, to try to protect them from the effects of what is happening in our economy and to try in the long term to turn the situation around to develop policies that will produce jobs and make housing affordable for the average citizen.

For a moment I would like to deal with the attitudes and approaches of the Conservatives and the Liberals in Canada. This government always tries to make the point that interest rate policy is a federal jurisdiction and that, therefore, they are not responsible; they cannot do anything. I agree with the first part of that statement. Certainly interest rate policy is a federal responsibility, and certainly the Liberals have failed the people of this country because they are unwilling or unable to deal with the economic problems we face.

We have a situation where the governor of the

Bank of Canada is directing interest rate policy and has directed interest rate policy for some time, and governments of whatever stripe at the federal level have been unable or unwilling to turn that policy around. We have a government at the federal level that is paralysed. We have a federal Minister of Finance who has no ideas, who has no conception of what he should do and who is afraid to do anything. So obviously the governor of the bank is the one who determines policy.

We had the same situation when the Conservatives were in power. We have the ironic situation of having a Liberal government elected in a premature election that resulted because they as Liberals voted against the high interest rate policy of a Conservative government.

Mr. Elston: An election brought on by Robert Rae, if I remember correctly.

Mr. Wildman: That is right. And it is interesting, if we want to be partisan in that sense, that this party has been consistently opposed to high interest rates at the federal and provincial levels throughout the last few years.

It is interesting that a Liberal Party will support a motion against high interest rates to bring about an election for opportunistic reasons and then, when they get back into power, not only do they refuse to turn that policy around but they also exacerbate it. On the other side, we have the Conservatives who, when they are in power, have a high interest rate policy. Then when they meet defeat at the polls they come back as an opposition party and oppose high interest rates.

It is no wonder the electorate in general have become cynics. It is no wonder people believe that politicians in general are the lowest level of life, that they are not worth believing, that people cannot trust them. They will just say whatever they want to say to get elected and then, when they get into power, it does not make any difference.

There are people who think that way, and I think it is very unfortunate. There are also those people who do not have quite that low an opinion of politicians but who genuinely believe that it does not really make any difference who gets elected because they believe politicians cannot do anything.

12:40 p.m.

Frankly, I hate to say this, but I agree with them. I agree with them if we are talking about the experience we have had at the federal level. It does not make one bit of difference whether

one has a Conservative government or a Liberal government in power; they cannot do anything. They do not care about what is going on, and if they do care they do not know what to do about it.

Liberals and Tories have led us to the economic precipice that we face. Now we have the situation of MacEachen not only standing at the precipice but also getting ready to jump off and take all of us with him. We have the Conservatives here, who say, "Yes, we are opposed to that policy but we do not want to do anything about it at this level because it is not our responsibility." It makes no difference.

We have the situation now where we have Trudeau doing it to us federally, we have the Premier (Mr. Davis) giving it to us provincially and we have the leader of the Ontario Liberal Party (Mr. Peterson) saying, "If you like what Trudeau has done for you federally, let me do it for you provincially." The Premier says, "I like what Clark did to you federally and I want to continue doing it to you provincially."

I know the two parties that I am referring to in this House on many occasions try to argue that they are not really related to their brothers at the other level.

Mr. Boudria: What is this here? Are you related to the NDP in Saskatchewan?

Mr. Wildman: Yes, I am related to the NDP in Saskatchewan. I regret very much their loss. It would have been interesting and very encouraging if this government had followed the example of the Conservative Party in Saskatchewan and had offered some of the programs that the people supported there.

Mr. Ruston: That is organized confusion.

The Acting Speaker (Mr. Robinson): Order. The member for Algoma has the floor.

Mr. Wildman: I have never disowned the policies of the NDP at the federal, Manitoba, Saskatchewan or British Columbia levels. I have never done it. I will defend them. I think those are the kinds of programs, especially in the resource area, that we should support.

Mr. Boudria: Are you in favour of legislating those people back to work as the NDP did in Saskatchewan? Is that what you are telling us? Yes or no?

The Acting Speaker: I remind the member for Prescott-Russell that the member for Algoma has the floor.

Mr. Wildman: Mr. Speaker, I have never said this in terms of Tories or Liberals either; I have

never said politicians never make mistakes, but when one repeats them over and over again, there is a bit of problem.

Mr. Ruston: He's apologizing.

Mr. Wildman: There are some in that party to my right who are interjecting who do admit that they are Liberals. I understand that the member for Hamilton Centre (Ms. Copps), when she was campaigning for the leadership, said, "A Liberal is a Liberal is a Liberal." I really respect her for saying that. At least she was able to stand there and say that if one is a Liberal in Ontario, one is a member of the party that happens to be in power at the federal level and one cannot go around saying that one has nothing to do with them, that their policies are irrelevant to the other and that one is not responsible in any way for what they are doing. That member accepts the responsibility of membership in a political party, and I respect her for that.

It is unfortunate the member obviously has so little influence in her party that she has not been able to persuade the rest of the members beside her that they are Liberals too. Perhaps it is because she said she was a Liberal that she did not win the leadership. I do not know.

Mr. Ruston: What about the member for Scarborough West? Is that why he didn't win it?

Mr. Wildman: No. He never said he was a Liberal, thank God.

Mr. Elston: We wouldn't want him.

Mr. Wildman: All three candidates for the New Democratic Party leadership were—

Interjections.

The Acting Speaker: Order. I remind all members once again that the standing orders provide that one member speaks and then, in the normal rotation, a member of the other party speaks. Unfortunately, they do not provide that the members have an instantaneous dialogue if they do not appreciate the speaker's comments. To that end, I remind all members once more that the member for Algoma has the floor at this time. I ask him to continue.

Mr. Wildman: Thank you, Mr. Speaker. That is most gracious of you.

I would say that all three candidates for the leadership of this party were New Democrats, said they were New Democrats, said they were federal and provincial New Democrats and did not try to play any games about that.

Mr. Ruston: What about their policies?

Mr. Wildman: I do not know what the purport of that question is.

At any rate, we had a situation at the federal level where we had a Minister of Finance named Crosbie. That member from Newfoundland was the Minister of Finance for nine months. He had a gestation period as minister. He laboured long and hard, but what did he bring forth? He brought forth Allan MacEachen. One is descended from the other.

They are related. They are carrying the genes of corporate power with them. They are carrying their whole background, which is related to the control of this economy by the corporate sector and by the banking system. There is a complete bankruptcy of ideas as to how to deal with either the corporate sector or the banking system when they do not operate in the interests of the country as a whole.

Mr. Crosbie had high interest rates. Now we have Mr. MacEachen who has high interest rates. The Liberals opposed Mr. Crosbie's high interest rates, and now we have the Tories opposing Mr. MacEachen's high interest rates.

Mr. Boudria: No. They are in agreement with them.

Mr. Wildman: They said they liked high interest rates, but they do not like Mr. MacEachen's high interest rates. I suppose it is a situation where, if they are Tory high interest rates, the Tories can support high interest rates, but if they are Liberal high interest rates, the Tories cannot support them. I suppose the same goes for the Liberals.

The only thing that has been stable in this whole process has been the governor of the Bank of Canada. He has been for high interest rates throughout. He has a great deal of control over decision-making at the federal level.

Hon. Mr. Grossman: I hear he votes NDP.

Mr. Wildman: Really? Bouey?

Hon. Mr. Grossman: That's what they tell me.

Mr. Wildman: I do not think we have any Boueys in our closet.

12:50 p.m.

At the provincial level, the Treasurer has stated on a number of occasions in the past that he is in favour of Reaganomics, that he believes the President of the United States is taking the right approach by raising interest rates to high levels or, by acquiescing to that, to cut inflation and turn the American economy around. The Treasurer has indicated that if that works in the

United States, it is the only hope for Canada and for Ontario.

Mr. Boudria: What is your position on Suncor?

Mr. Wildman: I will be getting to that later.

When it is in his interest, the Treasurer inveighs against MacEachen and his interest rates. I have never been quite able to understand how he can be in favour of Reaganomics and high interest rates in the United States and yet be against MacEachen's approach in Ottawa.

I suppose one could argue that MacEachen has not been nearly as good at it as Reagan. It might be argued that he has not raised interest rates high enough, that he has not produced enough unemployment or that if only we could have a worse economic situation, the Treasurer of Ontario would be happy with the federal government's approach. But I am not sure that is what he is saying. There does not seem to be any consistency among Tories and Liberals, whether they happen to inhabit the House of Commons or the Legislature of Ontario.

There is one thing, though, that one does find when looking for consistency. Both MacEachen and the Treasurer have a basic approach to economics, an approach that one magazine writer has described as the "TV evangelist approach" to the economy. What they basically say to the taxpayers is, "Send us your money and we will pray for you." They certainly do that well.

They raise taxes but they do not raise the taxes that are not progressive. They do not do anything at all with that tax money, when they get it, to stimulate the economy and produce jobs for the people who are unemployed or to lower interest rates and help the home owners or businessmen or farmers who are in trouble as a result of those high interest rates. Not one thing has been done in this budget.

The NDP in Ontario made a number of proposals prior to the budget which we did not honestly expect the government or the Treasurer would accept. However, they were alternatives we thought should be considered and we hoped for some response from the Treasurer.

The Leader of the Opposition also made some sort of proposal which was not nearly as detailed as ours. What he said, basically, was that he did not want taxes to go up, he did not want the deficit to go up, but he wanted all kinds of services to be improved.

That is a very strange kind of arithmetic. We used to talk about the "Liberal restraint package." I suppose, if one is opposed to the deficit

going up, that is in line with restraint. One could also argue that keeping taxes lower might be in line with restraint. But could they please explain to me how one improves and increases services without increasing either the deficit or taxes?

The Liberals always go around saying, "Well, if one were to get rid of Suncor, for instance, or sell the jet or get rid of land the government has purchased, we could then save so much money that we could increase services without increasing the deficit or taxes."

Again, they have these queer blinders on when they say that kind of thing, because they ignore the fact that the Liberals at the federal level do the exact opposite. I suppose they can defend MacEachen and his approach to financing and budgeting, but it must be difficult for them. I suppose that is why they do not like to be called Liberals. In our view, it does not make any sense to say that you have to increase services without either increasing the deficit or increasing taxation.

Mr. Boudria: But you are in favour of increased deficits.

Mr. Wildman: That is right; we are. It seems to us that at a time when the economy is in serious trouble, when people are out of work, when the country is facing a terrible downturn, to say that we should be lowering government expenditures across the board is to say that we do not care about the poor. It would be to say that we do not care about the people who are living below the poverty line, the senior citizens and the disabled, because if we were to assist them and increase their benefits and the money that flows to them so they could be brought up just to the poverty line, we would have to increase taxes or deficits.

This is a very unfeeling approach that the party to my right has taken. One cannot expect to deal with the major problems that have been neglected by the Tories for years, that have led us to this serious economic problem, without doing something that means expenditures.

You probably are aware, Mr. Speaker, that if the people who are now living below the poverty line and are receiving benefits were brought up just to that poverty level, it would cost Ontario approximately \$500 million.

Mr. Boudria: That is less than the cost of Suncor, and you want—

The Acting Speaker: Order.

Mr. Wildman: It would cost \$500 million because of the Conservatives' years of neglect of the elderly and the single mothers who have

to support families. They do not care. They make all these grandiose statements about how they support the family, but they have neglected to give families the resources they need to help them stay together; and so it would cost us \$500 million. Honestly, we do not think we could redress that in one year, that would be irresponsible.

But to say, as do the Liberals, "We do not want to do anything for those people because we do not want to increase the deficit or increase taxes," is even worse.

Mr. Boudria: That is not what we said.

Mr. Wildman: Well, no; what they said was, "We want to increase the benefits for those

people but we do not want to increase the deficit or the taxes." That is new math if I ever heard it.

The Acting Speaker: I draw the honourable member's attention to the clock. I wonder whether this would be an appropriate time to adjourn the debate.

Mr. Wildman: Mr. Speaker, I have some comments to make about our proposals, about what we think it is necessary to do in this province and about the lack of reaction by this government to those needs, but it will take me some time.

On motion by Mr. Wildman, the debate was adjourned.

The House adjourned at 1 p.m.

ERRATUM

No.	Page	Column	Line	Should read
53	1865	2	4	[Later].

APPENDIX

ANSWERS TO QUESTIONS ON NOTICE PAPER

DAY CARE

32. Mr. R. F. Johnston: Will the Minister of Community and Social Services specify where the \$430,000 in day care initiatives announced in December 1980 for specialized day nurseries services for handicapped children has been spent; (1) the number of spaces that have been created, specifying licensed and subsidized; (2) the centres that are in receipt of money under this initiative; (3) specify any programs which may have been developed with this money? [Tabled April 5, 1982].

Hon. Mr. Drea: (1) One hundred licensed and subsidized developmental day nursery spaces were created in 1981. (2) Because of the manner in which such spaces are created, this information is not reported to the ministry in a format which is readily available. (3) Such information is not reported to the ministry in a manner separate from the overall day care program.

33. Mr. R. F. Johnston: Will the Minister of Community and Social Services table a list of services greater than \$15,000 that the ministry has contracted out relating to day care research or consultation or service delivery, and specify the name of the firm or individual, the project contracted for and the amount of total cost of each? [Tabled April 5, 1982].

Hon. Mr. Drea: Longwoods Research Group Ltd., \$50,000. Research into attitudes of parents and providers using informal day care setting.

W. P. Wittman Ltd., \$37,746.25. Research of day care public education literature in North America; development of day care pamphlets.

ABT Association of Canada, \$21,250. Funding guidelines for operational startup assistance and day care initiatives.

Barry McPeake. Day care service plan development: Metro, \$45,000; Ottawa, \$35,000.

David Miller. Day care consultation, \$12,539.

34. Mr. R. F. Johnston: Will the Minister of Community and Social Services table the names of any licensed or subsidized child care centres which offer night-time care for children and the city or regional municipality in which they are located? [Tabled April 5, 1982].

Hon. Mr. Drea: Loyal True Blue and Orange, York; Forbid Them Not, Hamilton-Wentworth; A New Life, Hamilton-Wentworth. These municipalities have their own, or purchase, private

home, 24-hour day care: Hamilton-Wentworth, Halton, Niagara, Brant, Ottawa-Carleton, Peel, Metropolitan Toronto.

35. Mr. R. F. Johnston: Will the Minister of Community and Social Services table the number of day care spaces: (a) licensed, and (b) subsidized, which offer night-time care for children of shift mothers? [Tabled April 5, 1982].

Hon. Mr. Drea: (a) Number of licensed day care spaces, 64. (b) Number of subsidized spaces reported, 110. Private home day care spaces are not licensed, but can be subsidized.

36. Mr. R. F. Johnston: Will the Minister of Community and Social Services table the precise number of approved subsidized day care spaces in 1982, broken down into private group care, nonprofit group care, work place day care, private home day care, municipal day care and day care for the disabled? [Tabled April 5, 1982].

Hon. Mr. Drea: The ministry does not collect annualized figures for subsidized spaces by private group care, nonprofit group care, work place day care, private home day care, municipal day care and day care for the disabled. Responsibility for the precise allocation of these subsidized spaces rests with the municipality.

37. Mr. R. F. Johnston: Will the Minister of Community and Social Services table the precise number of subsidized day care spaces in 1981, broken down into private group care, nonprofit group care, work place day care, private home day care, municipal day care and day care for the disabled? [Tabled April 5, 1982].

Hon. Mr. Drea: The ministry does not collect annualized figures for subsidized spaces by private group care, nonprofit group care, work place day care, private home day care, municipal day care and day care for the disabled. Responsibility for the precise allocation of these subsidized spaces rests with the municipality.

38. Mr. R. F. Johnston: Will the Minister of Community and Social Services table the precise number of approved licensed day care spaces in 1982, broken down into private group care, nonprofit group care, work place day care, private home day care, municipal day care and day care for the disabled? [Tabled April 5, 1982].

Hon. Mr. Drea: The ministry cannot predict the number of licensed day care spaces that will be approved during the fiscal year 1982.

39. Mr. R. F. Johnston: Will the Minister of Community and Social Services table the precise number of day care spaces licensed in 1981, broken down into private group care, nonprofit group care, work place day care, private home day care, municipal day care and day care for the disabled? [Tabled April 5, 1982].

Hon. Mr. Drea: Private home day care is recorded as number of enrolments, not licensed spaces. As of December 31, 1981, 32 of 40 private home day care agencies have reported that there were 5,199 enrolments at that point in time.

It is not possible to provide the number of licensed day care spaces as requested. However, the following listing provides the number of licensed spaces by operator type and facilities, as of December 31, 1981.

Operator type	Capacity	No. of facilities
Approved charitable corporation	3,323	99
Approved charitable handicapped Corporation	1,093	50
Charitable corporation	17,608	519
Indian band	753	23

Age range	Numbers of children	Utilization rate	Cost per year	Cost (billion)
0-5	704,248	100 per cent	\$3,120	\$2.2
0-5	704,248	50 per cent	3,120	1.1
6-12	750,279	100 per cent	1,560	1.2
6-12	750,279	50 per cent	1,560	0.6

Therefore, the range might be \$1.7 billion to \$3.4 billion. This does not include increased costs for the following NDP motions.

Motion: "That the province be committed to provide funds for child care and assistance in implementation when 25 children within a school attendance area are in need of such services."

Motion: "That those with education and experience in the field of early childhood education continue to be the primary staff in child care centres. Salaries and benefits of day care workers be commensurate with other professional workers in education, nursing and social

Operator type	Capacity	No. of facilities
Individual for an unincorporated group	4,794	168
Municipal corporation	8,079	161
Noncharitable corporation	15,296	329
Private individual	13,934	401

Finally, work place spaces, as distinct from the foregoing information, are not reported to the ministry.

40. Mr. R. F. Johnston: Will the Minister of Community and Social Services table any reports or cost analysis his ministry has undertaken to arrive at the \$4-billion figure he has publicly quoted as the cost of universal day care? [Tabled April 5, 1982].

Hon. Mr. Drea: In 1980, at the request of the Ministry of Community and Social Services, a ministry consultant reviewed a series of motions by the New Democratic Party regarding access to day care services and "universal day care." The consultant's report is as follows:

Motion: "That access to universal (noncompulsory) free child care be recognized as an essential right of every child."

Given the numbers of children in the respective age ranges that would be guaranteed access, the costs could be as follows:

work."

If one were to implement these motions, the cost of care would increase by at least 100 per cent, thereby raising the overall range from \$3.4 billion to \$7.8 billion.

41. Mr. R. F. Johnston: Will the Minister of Community and Social Services table the number of informal day care arrangements he believes to be in place in Ontario? [Tabled April 5, 1982].

Hon. Mr. Drea: The estimated number of children with working mothers in Ontario in 1980 was*:

	Child population	% of Mothers in labour force	Children with working mothers
Birth through 5 years	724,027	49	354,773
6 through 9 years	510,036	55	280,519

*Interim statistics from Statistics Canada.

Research from other jurisdictions indicates that 80 to 85 per cent of children with working mothers are involved in informal day care arrangements.

42. Mr. R. F. Johnston: Will the Minister of Community and Social Services indicate how much of the \$300,000 of announced day care initiatives in December 1980 to be directed at needs testing has been spent; and will the minister table any reports undertaken by his ministry looking at alternatives? [Tabled April 5, 1982].

Hon. Mr. Drea: None of the \$300,000 has been spent on needs testing to date. The ministry was asked by the Ontario Municipal Social Services Association to delay the implementation of our needs testing policy until they were able to consult with us more fully. Consultation was done in the form of a two-day workshop March 1982, with subsequent follow-up questionnaires to be completed. As a result, the policy report on needs testing is not finalized.

43. Mr. R. F. Johnston: Will the Minister of Community and Social Services indicate whether the service plans for Metro Toronto and Ottawa-Carleton, as announced with the initiatives in December 1980, are complete, and if so, will he table copies of each? [Tabled April 5, 1982].

Hon. Mr. Drea: The draft service plans for Metropolitan Toronto are completed. These reports are still being reviewed by our staff and the municipalities.

Ottawa service plans have not been finalized. It is expected that they will be completed by June 1982.

44. Mr. R. F. Johnston: Will the Minister of Community and Social Services indicate whether service plans are being developed for other municipalities, and if so, specify the municipalities? [Tabled April 5, 1982].

Hon. Mr. Drea: Nil.

45. Mr. R. F. Johnston: Will the Minister of Community and Social Services table a list of the day care commitments to municipalities for new additional subsidized spaces for this year, already made by the ministry? [Tabled April 5, 1982].

Hon. Mr. Drea: 1982-83 allocation of subsidized non-MR spaces: southeast region, 226; northern region, 80; southwest region, 315; central region, 700. Total: 1,321.

The regional allocation process of subsidized spaces to municipalities is currently being finalized.

46. Mr. R. F. Johnston: Will the Minister of Community and Social Services specify where precisely the \$3.75 million announced in day

care initiatives in December 1980 for new spaces has been spent, specifying: (a) the individual municipalities to which the money was given; (b) a breakdown of the dollars spent in each of these municipalities; and (c) the number of spaces allocated to each? [Tabled April 5, 1982].

Hon. Mr. Drea:

Southeast region		
(a)	(b)	(c)
Frontenac	\$ 55,000	22
Hastings	25,000	10
Leeds-Grenville	15,000	6
Durham	120,000	48
Northumberland	12,500	5
Peterborough	42,500	17
Ottawa-Carleton	312,500	125
Renfrew	112,500	45
Stormont-Dundas-		
Glengarry	50,000	20
	\$745,000	298

Northern region		
(a)	(b)	(c)
Cochrane	\$110,000	44
Kenora	172,500	69
Timiskaming	7,500	3
Sudbury	7,500	3
Manitoulin	20,000	8
Thunder Bay	12,500	5
Nipissing	7,500	3
Muskoka	15,000	6
	\$352,500	141

Southwest region		
(a)	(b)	(c)
Niagara	\$ 60,000	24
Halton	117,500	47
Brant	90,000	36
Hamilton-Wentworth	60,000	24
Waterloo	85,000	34
Wellington	50,000	20
Bruce	20,000	8
Grey-Owen Sound	12,500	5
Essex	14,500	58
Lambton	20,000	8
Huron	50,000	20
Middlesex	65,000	26
Perth	100,000	40
Elgin	12,500	5
	\$757,000	355

Central region		
(a)	(b)	(c)
Metro	\$1,250,000	500
Peel	225,000	90
York	150,000	60
Simcoe	95,000	38
	\$1,720,000	688

47. Mr. R. F. Johnston: Will the Minister of Community and Social Services table a list of informal day care projects funded under its December 1980 initiatives, specify the amount given to each project and specify whether the money is startup or operational funding? [Tabled April 5, 1982].

See sessional paper 111.

48. Mr. R. F. Johnston: Will the Minister of Community and Social Services indicate how much of the \$2.4 million allocated in December 1980 to salary equalization and inequities in funding is to date unspent? [Tabled April 5, 1982].

Hon. Mr. Drea: As of March 31, 1982, the following amounts of money had been requested by and made available to municipalities under this initiative: Metro Toronto, \$1,334,000; Ottawa, \$198,000. Total: \$1,542,000.

Further requests have not been received for this funding from any other municipalities.

49. Mr. R. F. Johnston: Will the Ministry of Community and Social Services table the report done for the ministry by Longwoods Research on how to spend the public education money announced in the December 1980 initiatives? [Tabled April 5, 1982].

Hon. Mr. Drea: The report is not finalized and available for tabling.

50. Mr. R. F. Johnston: Will the Minister of Community and Social Services table a precise breakdown of all the \$850,000 announced public education initiatives in December 1980, including total amount spent to date, and a breakdown of money paid to salaries, and to what specific programs or education efforts? [Tabled April 5, 1982].

Hon. Mr. Drea: Funding spent to date can be broken out as follows: (corporate) administration and consultant's fees, \$96,246; direct operating expense (salary), \$23,531; travel—staff, public education advisory group, \$2,700; regional expenditures for seminars, films, brochures, \$39,165. Total: \$161,642.

Eight hundred and fifty thousand dollars was allocated to this program originally, taking into account the possibility of television and radio commercials as part of the dissemination of information. It has been decided that dissemination of information would be via pamphlets, with the balance of the original allocation redistributed within other day care initiatives.

51. Mr. R. F. Johnston: Will the Minister of Community and Social Services specify to what

regions or municipalities the \$80,000 allocated for public education in the regions in the December 1980 day care initiative was given, specifying agency or day care centre, municipality, amount allocation, and programs on which it was spent? [Tabled April 5, 1982].

Hon. Mr. Drea: 1981-82 allocation: east, \$15,000 committed; west, \$1,165 committed; north, \$3,000 committed; central, \$20,000 committed.

Central region

(1) Action Day Care Toronto, \$4,000: manual for boards of directors on setup of day care.

(2) Metro Community Services Toronto, \$8,000: pamphlet for parents and providers, slides and dialogue in five languages on quality day care.

(3) Child in the City—University of Toronto, \$5,000: brochure and consultation on work place day care.

(4) Victoria Day Care Services Toronto, \$3,000: manual of resources for care givers (PHDC Assoc.). Subtotal \$20,000.

East region

(1) Task Force on Day Care, \$15,000: to establish regional service needs, task force to run from November 1981 to December 1982. Subtotal \$15,000.

Northern region

(1) Travel—public education, consultation, \$3,000. Subtotal \$3,000.

Southwestern region

(1) Child Care Council of London, slide-tape, \$1,165. Subtotal \$1,165. Total: \$39,165.

ONTARIO DEVELOPMENT CORP.

105. Mr. Di Santo: Would the Minister of Industry and Trade advise the House which developing companies that received loans and/or grants from ODC were granted deferral of payment of interest or had the interest waived for the year 1981? Would the minister supply a list of the companies interested? [Tabled April 28, 1982].

Hon. Mr. Walker: As all ODC statistics are now kept on computer, this question does not fit any existing program which will extract the information directly. Consequently, it will be necessary to review the individual, full-page printouts of more than 300 different borrowers.

Unless more specific information as to the intent of the question is provided, it will be extremely difficult to provide an accurate answer to this question. In order to speed up the process, could the following information be provided:

1. What is meant by "developing companies"?

2. Does the question refer to borrowers who were approved during 1981, or who were approved earlier and had no interest payments during 1981?

3. As all our statistics are kept by fiscal year, should the answer cover the 1980-81 year or the 1981-82 year?

If this information is provided, every effort will be made to provide the answer as soon as possible.

GOVERNMENT ADVERTISING

117. Mr. McKessock: Would the Minister of Intergovernmental Affairs provide the House with the total cost of the advertisements placed in Ontario newspapers by the Ontario government, pertaining to the patriation of the Canadian Constitution? [Tabled April 29, 1982].

Hon. Mr. Wells: The total amount spent for all advertisements in this connection was \$112,156.20, from already approved allocations in and for fiscal 1981-82 and fiscal 1982-83.

USE OF FORMALDEHYDE

119. Mr. Haggerty: Would the ministry provide answers to the following questions? (1) Is formaldehyde used in the process and manufacturing of plywood and particle board in Ontario as is permitted in the United States? If so, can the government assure the House that there is no adverse effect to the health of consumers who purchase this material for use in a home or apartment? (2) Are there safety regulations now in effect or are there voluntary limits for manufacturers on the use of formaldehyde? (3) Are there any safety standards now in force by government regulation to reduce any health hazards as they relate to the use of formaldehyde chemical in permanent press fabrics, and any other products? [Tabled April 30, 1982].

See sessional paper 112.

DIESEL EMISSIONS

120. Mr. Martel: Will the Minister of Labour table the report Occupational Health Implications of Diesel Emissions in Ontario Industry, by M. G. Holliday, J. W. Sifton, S. Langdon and F. R. Engelhardt? [Tabled April 30, 1982].

Hon. Mr. Ramsay: The study is incomplete and the report is not available.

LIST OF CONDOMINIUMS

124. Mr. Philip: Would the Minister of Consumer and Commercial Relations provide the mailing list of condominium corporations in

Ontario which was compiled at taxpayers' expense by Condominium Ontario and subsequently updated by the ministry? [Tabled May 3, 1982].

Hon. Mr. Elgie: Condominium Ontario compiled a master list of condominium corporations and directors which the ministry is at present in the process of updating. For a variety of reasons, a significant number of corporations approached were unwilling to provide any information to Condominium Ontario or to the province unless it was agreed that the information would be held in full confidentiality.

The purpose of obtaining the information is to provide a vehicle whereby the province can contact corporations in order to provide them with information of concern where appropriate, to provide addresses where estoppel certificates are required, to act as intermediary where someone feels that they must contact a condominium and in some cases to help residents of condominiums in making contact with their own boards of directors or property managers.

It has been the consistent policy of Condominium Ontario, the majority of whose board was composed of condominium unit owners, and the ministry, to honour the request of that significant portion of Ontario condominiums that asked that the information provided by them be held in confidence. While we can understand that there may be times at which it would be convenient to some commercial or other interests to have access to these records, we feel we must honour our obligation of confidentiality.

ASSESSMENT STUDY

125. Mr. Breagh: Will the Minister of Revenue table the total number of valuation staff, indicating separately the numbers of resident assessors and non-Metro regional assessors, being used to prepare the simulation for Metro Toronto under subsection 63(3) (still referred to as section 86) of the Assessment Act? What is the projected cost of this project? [Tabled May 4, 1982].

Hon. Mr. Ashe: Total number of valuation staff being used to prepare the Metropolitan Toronto impact study is 165 resident assessors and up to 372 non-Metro assessors.

Non-Metro assessors are seconded to this project for two weeks at a time and return to their "home" regions for one week between each period of assignment to Metropolitan Toronto.

Projected cost of the Metro-wide section 86 tax impact study is \$2,625,000.

135. Mr. Epp: Would the Minister of Revenue supply the following information?

(1) What is the total number of assessors employed by the ministry in each branch office throughout the province?

(2) How many assessors at present employed by the ministry in each branch office outside the city of Toronto have been relocated to Toronto for the purpose of preparing a simulation of subsection 63(3)?

(3) How many assessors employed in branch offices within Toronto are participating in the simulation study?

(4) How many assessors employed in Metropolitan Toronto branch offices are participating in the simulation study?

(5) Does the simulation study include all of Metropolitan Toronto, and if not, which parts of Metropolitan Toronto are being evaluated for the simulation report?

(6) What is the additional cost or cost estimate of relocating assessors from outside of Metropolitan Toronto to Toronto for the simulation study in each of the following categories: (a) travel expense; (b) meal allowances; (c) salary bonuses; (d) salary advances; (e) accommodation; (f) personal telephone calls to assessors' families; and (g) miscellaneous? [Tabled May 7, 1982].

Hon. Mr. Ashe: 1. Total number of property assessors in Ontario as of April 30, 1982, by regional assessment office:

Region number	Regional office	Total number
1	Prescott-Russell-Stormont-Dundas-Glengarry	23
2	Lanark-Leeds-Grenville	21
3	Ottawa-Carleton	62
4	Renfrew	20
5	Frontenac-Lennox-Addington	23
6	Northumberland-Hastings-Prince Edward	31
7	Haliburton-Peterborough-Victoria	38
9	City of Toronto	82
10	North York	44
11	Scarborough-East York	41
12	Etobicoke-York	40
13	Durham	35
14	York	33
15	Halton-Peel	88
16	Simcoe	40
17	Muskoka	17
18	Niagara	50
19	Wentworth	49

Region number	Regional office	Total number
20	Brant-Haldimand-Norfolk	26
21	Waterloo	34
22	Dufferin-Wellington	23
23	Elgin-Middlesex-Oxford	58
24	Huron-Perth	23
25	Bruce-Grey	28
26	Kent-Lambton	33
27	Essex	40
28	Nipissing-Parry Sound	24
29	Cochrane-Timiskaming	24
30	Manitoulin-Sudbury	36
31	Algoma	24
32	Kenora-Rainy River-Thunder Bay	36

Total..... 1,146

2. Total number of property assessors seconded to Metropolitan Toronto:

Region number	Assessors	Region number	Assessors
1	11	20	11
2	10	21	15
3	28	22	9
4	10	23	27
5	12	24	11
6	16	25	14
7	18	26	15
13	15	27	17
14	16	28	12
16	19	29	12
17	8	31	10
18	25		
19	23		

Total..... 364

In addition, eight managers have been seconded to Metropolitan Toronto for a total of 372 staff.

Non-Metro assessors are seconded to this project for two weeks at a time and return to their "home" regions for one week between each period of assignment to Metropolitan Toronto.

3. Number of resident Metro staff working on:

	Maintenance	Reassessment
Toronto	19	69
North York	15	34
Scarborough/East York	13	31
Etobicoke/York	13	31
	60	165
Total Metro Staff	225	

4. Same as question 3: 165.

5. Impact study covers all of Metropolitan Toronto.

6. The projected cost of the Metro-wide tax impact study is \$2,625,000. The requested categories of cost estimates are as follows: (a) travel expenses, \$330,000; (b) meal allowances, \$320,000; (c) salary bonuses, none; (d) salary advances, none; (e) accommodation, \$650,000; (f) personal calls to assessors' families, "miscellaneous"; (g) miscellaneous, \$40,000.

Note: Above costs are an estimate based on an initial cost evaluation which showed: (i) Average cost of non-Metro Toronto assessors is \$350 per week. (ii) Breakdown of cost is roughly 25 per cent travel, 25 per cent meals, 50 per cent accommodation. (iii) Non-Metro Toronto staff is working two out of three weeks in Metropolitan Toronto. (iv) Duration of non-Metro staff involvement is approximately 10 weeks.

TREATMENT OF MENTAL PATIENTS

126. Mr. McClellan: Would the Minister of Health please table a list of studies/reports which have been prepared (a) in Ontario, and (b) across Canada, since 1965 to the present time, which examine the issue of the treatment of mental patients in institutions and any discrimination or differences in treatment which may exist because of ethnic/class background? Please include title, author, date and place of publication. [Tabled May 4, 1982].

Hon. Mr. Grossman: A preliminary search has not located any reports of the type requested. A more detailed search is not practical at this time because it would require diversion of staff from other essential duties.

DEATH OF JOHN DEMPSTER

127. Mr. McClellan: Would the Minister of Community and Social Services advise the House of the circumstances surrounding the death of John Dempster, resident patient of the Durham Centre for the Developmentally Handicapped, who disappeared from the centre on or about April 1, 1982, and whose body was found in Lake Ontario on Friday, April 30, 1982? [Tabled May 4, 1982].

Hon. Mr. Drea: This incident is being reviewed by the coroner and a decision has not yet been made as to whether or not an inquest will be held. In the light of the possibility of an inquest, it would not be appropriate for the ministry to reply further at this time.

SPECIAL EDUCATION

128. Mr. Grande: Will the minister responsible table the activity plans and proposed cost plans of the 22 boards of education chosen as "pilot boards" for the purpose of planning for the implementation of special education legislation contained in the Education Amendment Act, 1980 (Bill 82)? [Tabled May 5, 1982].

Hon. Miss Stephenson: The pilot plans were an integral part of the planning exercise and the validation of the planning guide. The pilot board plans also provided the ministry with information which, together with other information and input, influenced the determination of the new funding mechanism for special education. They are not the official special education plans of the boards concerned, as required under Ontario regulation 274. All boards including the pilot boards are not completing their official plans in accordance with the revised planning guide.

The data and content of the pilot plans are not considered to be the official positions of the pilot boards with regard to their special education plans. Consequently, those who have made similar requests for copies of pilot plans have been advised to contact the pilot boards concerned.

GO TRANSIT STUDIES

130. Mr. Cunningham: Would the Minister of Transportation and Communications indicate how many studies have been done on GO Transit in the last 10 years and the total cost of those studies? [Tabled May 5, 1982].

Hon. Mr. Snow: The ministry has conducted a total of four studies on GO Transit in the last 10 years.

All the above studies were conducted with in-house staff resources from both the Ministry of Transportation and Communications and GO Transit over a long period of time. Therefore, costs are very difficult to determine with any reasonable degree of accuracy.

HEALTH CARE HEARINGS

132. Mr. Wrye: Who assigned Ministry of Health personnel to monitor the Copps committee on health care and under what authorization were the assignments made? Who were the monitors and to whom do they report? What was the cost of the monitoring program? Will the ministry table the reports? What tasks do the ministry personnel perform when not monitoring MPPs? [Tabled May 6, 1982].

Hon. Mr. Grossman: Staff of the district health council program routinely travel throughout the province as representatives of the ministry in promoting and co-ordinating local health services planning, under the direction of the executive director, district health council program. These meetings often involve attendance at public meetings where local health services are discussed. The meetings referred to were attended on this basis. The ministry has no program or staff assigned to monitor MPPs.

ONTARIO ENERGY INVESTMENT

133. Mr. Peterson: Would the Minister of Energy table all correspondence between the Ministry of Energy, the Ontario Energy Corp., Suncor and the Sun Oil Co. Ltd., regarding the request by Ontario to waive the terms of the confidentiality agreement? [Tabled May 7, 1982].

See sessional paper 113.

HYDRO PLANT EMISSIONS

134. Mr. Elston: Would the Minister of the Environment provide data on emissions of SO₂ and NO_x in metric tons per year for the years 1979, 1980 and 1981 for the following Ontario Hydro plants: Thunder Bay and Lennox? [Tabled May 7, 1982].

See sessional paper 114.

NUCLEAR WASTE DISPOSAL

138. Mr. Renwick: Will the ministry please respond to my letter of March 25, 1982, addressed jointly to the Minister of Natural Resources and the Minister of Energy, with a copy to both the Attorney General and the Minister of the Environment, requesting information and raising legal concerns about Canada/Ontario nuclear fuel waste management programs? [Tabled May 11, 1982].

Hon. Mr. Pope: Yes.

MINISTRY OF HEALTH ADVERTISING

141. Ms. Copps: What was the cost of advertising changeover in which Ministry of Health advertising was updated to show the name of Larry Grossman instead of Dennis Timbrell? [Tabled May 11, 1982].

Hon. Mr. Grossman: There is no direct cost. Existing stocks of health promotion material

issued on authority of Frank Miller and Dennis Timbrell when they were ministers of Health continue to be used as long as content is relevant.

New material or material reprinted to replenish stocks after February 14, 1982, will be issued on the authority of Larry Grossman as Minister of Health.

146. Mr. Boudria: Would the Minister of Health inform the House of the cost of publishing various newspaper articles on or about May 11, 1982, concerning the Toronto-Bayview Cancer Clinic? Would the minister include in his answer the cost of production and of placement as well as the number of newspapers and of days in which this ad was placed? [Tabled May 12, 1982].

Hon. Mr. Grossman: The Ministry of Health did not publish any articles concerning the new Toronto-Bayview Cancer Clinic.

Advertisements announcing establishment of the facility were placed in three daily newspapers on May 11, 1982, and four weekly newspapers on May 12, 1982.

Production cost was \$8,500; media billing was \$13,421.76.

PHYSICIANS' FEES

151. Mr. Renwick: Will the ministry table immediately the agreement entered into by the Minister of Health with the Ontario Medical Association and all related letters of intent or understanding or similar documents affecting the fee settlement? [Tabled May 14, 1982].

See sessional paper 115.

INTERIM ANSWERS

106. Mr. Boudria: Hon. Mr. Drea—The scope of the question is such that additional time will be required to research a thorough reply. A final answer is expected on or about May 24, 1982.

129. Mr. Cunningham: Hon. Mr. Snow—The ministry will require additional time to assemble information for the response to the question. The answer will not be available on or about Wednesday, June 2, 1982.

131. Mr. Boudria: Hon. Mr. Drea—The scope of the question is such that additional time will be required to research a thorough reply. A final answer is expected on or about June 18, 1982.

CONTENTS

Friday, May 21, 1982

Statements by the ministry

Grossman, Hon. L. S., Minister of Health:	
Salmonella inspectors' report.	1933
Pope, Hon. A. W., Minister of Natural Resources:	
Job creation programs.	1932
Ramsay, Hon. R. H., Minister of Labour:	
Job creation programs.	1931
Snow, Hon. J. W., Minister of Transportation and Communications:	
Capital works projects.	1931

Oral questions

Baetz, Hon. R. C., Minister of Tourism and Recreation:	
Tax on restaurant meals, Mr. Eakins, Mr. Di Santo.	1942
Davis, Hon. W. G., Premier:	
Tax increases, Mr. Peterson, Mr. R. F. Johnston.	1934
Tax increases, Mr. Peterson, Mr. Cooke.	1937
Tax on building materials, Mr. Mackenzie, Mr. Cunningham.	1934
Public sector restraint, Mr. Wrye.	1946
Norton, Hon. K. C., Minister of the Environment:	
Watermain construction grant, Mr. Ruston.	1944
Pope, Hon. A. W., Minister of Natural Resources:	
Job creation programs, Mr. Wildman.	1945
Ramsay, Hon. R. H., Minister of Labour:	
Affirmative action, Mr. R. F. Johnston, Mr. Wrye.	1940
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
University funding, Mr. R. F. Johnston, Mr. Sweeney.	1939

Motions

House sittings, Mr. Wells.	1947
---	------

First readings

Class Actions Act, Bill 122, Mr. Swart, agreed to.	1947
Assessment Amendment Act, Bill 123, Mr. Philip, agreed to.	1947

Budget debate

Mr. G. I. Miller.	1947
Mr. Wildman.	1956

Other business

Legislative pages, Mr. Speaker.	1933
Correction of media report, Mr. Wrye.	1933

Adjournment	1961
Erratum	1961

Appendix

Answers to questions on Notice Paper

Ashe, Hon. G. L., Minister of Revenue:	
Assessment study , questions 125 and 135, Mr. Breaugh, Mr. Epp.	1966
Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:	
Use of formaldehyde , question 119, Mr. Haggerty.	1966
Drea, Hon. F., Minister of Community and Social Services:	
Day care , questions 32 to 51, Mr. R. F. Johnston.	1962
Death of John Dempster , question 127, Mr. McClellan.	1968
Elgie, Hon. R. G., Minister of Consumer and Commercial Relations:	
List of condominiums , question 124, Mr. Philip.	1966
Use of formaldehyde , question 119, Mr. Haggerty.	1966
Grossman, Hon. L. S., Minister of Health:	
Treatment of mental patients , question 126, Mr. McClellan.	1968
Health care hearings , question 132, Mr. Wrye.	1968
Ministry of Health advertising , question 141, Ms. Copps, question 146, Mr. Boudria ...	1969
Physicians' fees , question 151, Mr. Renwick.	1969
Use of formaldehyde , question 119, Mr. Haggerty.	1966
Norton, Hon. K. C., Minister of the Environment:	
Hydro plant emissions , question 134, Mr. Elston.	1969
Pope, Hon. A. W., Minister of Natural Resources:	
Nuclear waste disposal , question 138, Mr. Renwick.	1969
Ramsay, Hon. R. H., Minister of Labour:	
Diesel emissions , question 120, Mr. Martel.	1966
Use of formaldehyde , question 119, Mr. Haggerty.	1966
Snow, Hon. J. W., Minister of Transportation and Communications:	
GO Transit studies , question 130, Mr. Cunningham.	1968
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
Special education , question 128, Mr. Grande.	1968
Walker, Hon. G. W., Minister of Industry and Trade:	
Ontario Development Corp. , question 105, Mr. Di Santo.	1965
Use of formaldehyde , question 119, Mr. Haggerty.	1966
Welch, Hon. R. S., Minister of Energy:	
Ontario energy investment , question 133, Mr. Peterson.	1969
Wells, Hon. T. L., Minister of Intergovernmental Affairs:	
Government advertising , question 117, Mr. McKessock.	1966
Interim answers , question. 106, 129, 131.	1969

SPEAKERS IN THIS ISSUE

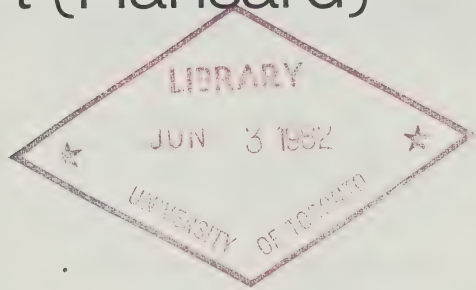
Ashe, Hon. G. L., Minister of Revenue (Durham West PC)
Baetz, Hon. R. C., Minister of Tourism and Recreation (Ottawa West PC)
Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)
Boudria, D. (Prescott-Russell L)
Bryden, M. H. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Copps, S. M. (Hamilton Centre L)
Cunningham, E. G. (Wentworth North L)
Davis, Hon. W. G., Premier (Brampton PC)
Di Santo, O. (Downsview NDP)
Eakins, J. F. (Victoria-Haliburton L)
Elston, M. J. (Huron-Bruce L)
Grande, T. (Oakwood NDP)
Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
Johnston, R. F. (Scarborough West NDP)
MacDonald, D. C. (York South NDP)
Mackenzie, R. W. (Hamilton East NDP)
McClellan, R. A. (Bellwoods NDP)
Miller, G. I. (Haldimand-Norfolk L)
Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)
Peterson, D. R. (London Centre L)
Philip, E. T. (Etobicoke NDP)
Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Riddell, J. K. (Huron-Middlesex L)
Robinson, A. M. (Scarborough-Ellesmere PC)
Ruston, R. F. (Essex North L)
Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Swart, M. L. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Turner, Hon. J. M., Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)



No. 56

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Tuesday, May 25, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, May 25, 1982

The House met at 2 p.m.

Prayers.

CORRECTION OF MINISTER'S NAME

Hon. Mr. Wiseman: Mr. Speaker, on a point of personal privilege, I would like to correct the record.

I understand a comment was made in the House last Thursday, May 20, regarding an incorrect reference to my colleague the Provincial Secretary for Justice (Mr. Sterling) in the news release announcing the opening of the new Ontario Provincial Police detachment in Kanata.

I am more than delighted to advise honourable members that the minister is not only a cabinet colleague but also a good friend, and I assure the astute member for St. Catharines (Mr. Bradley) that I do know his name. The error arose from the Xeroxing of a draft news release by a member of my staff. Unfortunately, of the 300 correct copies and half a dozen incorrect copies, the member of the opposition had the misfortune to receive one of the latter.

I would like to thank the member for St. Catharines for his interest in one of the most important projects for the citizens of the Kanata region and to advise him that the ceremony was one of the most successful we have had the pleasure of participating in.

VISITORS

Mr. Eakins: Mr. Speaker, all citizens of Ontario are proud that the Kinsmen Club had its foundation in this province. I am sure we all share in the pride that this year the national president represents Ontario. He is seated in your gallery. I ask all members to join in welcoming Mr. Bruce Glass, the national president of Kinsmen Clubs of Canada. He is accompanied by members of the Lindsay Kinsmen Club.

Mr. Speaker: I ask all honourable members to join with me in welcoming the president of the province of Pordenone, Italy, Mr. Gioacchino Francescutto.

LEGISLATIVE PAGES

Mr. Speaker: Before getting on with routine proceedings, I call the attention of all honourable members to the fact that we have a new group of

pages with us today. I ask you to join with me in recognizing and welcoming them. I am going to read their names into the record:

Mary Abbott, Halton-Burlington; Marc Casimir, Niagara Falls; Mary Cousens, York Centre; Garry Cowan, Kent-Elgin; Michael Eppel, Brant-Oxford-Norfolk; Sue Fleischaker, York North; Rhonda Fox, Carleton;

Mary-Catherine Glibota, Sault Ste. Marie; Jim Graham, London South; David Johnston, Perth; Caroline Knight, Scarborough Centre; Joel Laughren, Nickel Belt; Stuart Lessels, Grey; Lissa Mallar, St. Andrew-St. Patrick; Lynn Maxwell, Durham East; Neil McGivney, York Mills;

John Ouellette, Cochrane North; Geoffrey Perfect, Windsor-Walkerville; Lainey Reynolds, Northumberland; Leora Starkey, Huron-Bruce; Jeffrey Symons, Peterborough; Russell Thompson, Scarborough East, Tonya Wong, Quinte.

STATEMENTS BY THE MINISTRY

MINERS' SAFETY TRAINING PROGRAM

Hon. Mr. Pope: Mr. Speaker, I am pleased to inform the honourable members that my ministry hosted a very successful seminar on common training standards for Canadian miners on April 21 and 22 in Sudbury.

Thirty-three participants from across Canada, representing government, labour and mining, attended the seminar at which Ontario's modular training for mines was discussed. The information conference was a result of a recommendation made, as the members may recall, at the 1981 mines ministers' conference in Victoria. At that time, it was suggested common training standards be employed across Canada.

Ontario's presentation at that conference dealt with modular training programs for hardrock miners, developed to improve the safety and health of underground and open-pit workers, thus raising productivity. Our presentation laid out specific objectives for this training program. We wanted to promote a safe environment and safe work habits and to provide for miners' career aspirations through an industry-wide program.

The common core for the basic underground hardrock mining skills program was completed

in May 1977 and printed for public issue in August of that year. It was incorporated in the Ontario Occupational Health and Safety Act and is mandatory for all new regular underground workers. Requests for this program have been coming in, and continue to come, not only from North America but also from mining countries throughout the world.

We are all proud of our program and sincerely hope it will greatly assist in both reducing the number of accidents and upgrading skills wherever it is adopted. In addition, we feel this program will recognize the skills of mine workers through the certification program, something both unions and management consider critical.

2:10 p.m.

I should also note that industry, government and unions are all determined to see that the use of the program is widespread. This standard training program was made possible through the hard work and unstinting co-operation of the United Steelworkers of America and the Mine, Mill and Smelter Workers. I would like to take this opportunity to extend my appreciation.

I would also like to thank the Ministry of Colleges and Universities and the Ministry of Labour for their assistance and advice in formulating the program.

Finally, I would like to say that without the perseverance of the tripartite committee, with representation from union, industry and government, the success of the Sudbury seminar would not have been possible.

STRATEGIC LAND USE PLANS

Hon. Mr. Pope: Mr. Speaker, I am pleased to inform the House that a number of open houses will be held this summer to further explain my ministry's strategic land use plan for northwestern and northeastern Ontario and the co-ordinated program strategy for southern Ontario.

These strategic plans cover the entire province and provide the overall framework for a more detailed planning effort. I will table these plans in the near future. Within that framework, my ministry is preparing district land use plans and strategies for each of the ministry's districts.

The open houses will be held in two stages. Some areas in both northern and southern Ontario have already completed the first stage of open houses, which present background material for public comment. Southern districts which have not yet had these background sessions will hold them in June.

This background material was the basis for optional district plans for resources management in northern districts and district land use strategies in the south.

The second, and more detailed, series of open houses will examine these plans and strategies. They will be held in June in northern Ontario and in August in southern Ontario. A series of newspaper advertisements has begun listing the locations of meetings throughout the province.

The northern district plans are the local components of my ministry's strategic land use plan for northwestern and northeastern Ontario. The southern district land use strategies are the local components of the ministry's co-ordinated program strategy for southern Ontario.

The different names reflect the fact the north is almost all crown land, directly administered by the ministry. On the other hand, the south is primarily private land where resources management programs must be carried out through municipalities and land owners.

I believe our land use plans should not be looked upon as blueprints. Instead, they should be seen as guideposts, pointing the way in which Ontario's vast natural resources will be managed over many years and into the 21st century.

These local plans will identify more precise targets at the local level and show how we hope to achieve them within the framework of our overall strategy of multiple-use resource management.

We recognize that we are planning for Ontario's people as well as Ontario's natural resources, and we are actively seeking ideas, comments and suggestions on our proposals from the general public and local governments as well as special interest groups.

I will personally study the comments and recommendations from all the open houses. I will do this to ensure that the final plans and strategies which will guide Ontario's management of its natural resources into the future will make the best use of those vast resources for all the people of Ontario.

CO-ORDINATION OF CHILDREN'S SERVICES

Hon. Mr. Drea: Mr. Speaker, I would like to inform the members of this House of a new initiative being undertaken by my ministry to further foster the planning and co-ordinating of children's services at the local level.

In the course of the summer and the latter part of 1982, we will be working with municipal-

ities in establishing children's services co-ordinating and advisory groups across the province. These groups will assist the municipalities in planning services for children in their areas.

The new groups are being set up to redirect and build on the work of the children's services committees, introduced as test models in six Ontario communities beginning in 1978-79.

When the committees were first set up in 1978-79, it was with the aim of ultimately having the municipalities, through the committees, assume final responsibility and authority over all local children's services, including the allocation of funds.

During the years they have been in place, the six test committees have achieved a great deal in terms of advising municipalities on the care of hard-to-serve children and developing local priorities for program development. They have also developed a better understanding of the more effective use of funds. But there have been problems identified with the concept of children's committees as a result of the experiences with the models.

Some of the problems that have emerged in connection with that plan have been projections for mounting administrative costs, duplication of administrative structures and the concerns expressed by certain municipalities across the province over assuming these further responsibilities.

The idea behind establishing these new co-ordinating and advisory groups is to preserve and build on some of the best achievements of the committees while eliminating these problems.

The municipalities will have discretion in terms of membership of the groups. However, we expect the new co-ordinating and advisory groups to include service providers and other interested parties.

The responsibilities of the co-ordinating and advisory groups will include: assessing community service needs; advising community and municipality; providing linkage with local health, education and other support services; ensuring services for hard-to-serve children; planning, prioritizing and assisting in the implementation of children's programs.

During the summer, staff of my ministry will be discussing with the existing six test model children's services committees their potential new role as co-ordinating and advisory groups in their municipalities.

By midsummer, the ministry plans to have a full set of criteria for the advisory groups

developed and by fall other municipalities should be able to apply to the ministry to set up co-ordinating and advisory groups in their communities.

In conclusion, through the establishment of these co-ordinating and advisory groups, my ministry is demonstrating its continuing commitment to improving services for children across Ontario. This is being done by supporting and encouraging planning and co-ordination at the local levels, encouraging effective use of funds and avoiding the duplication of resources in this very sensitive field.

TECHNOLOGY CENTRES BILL

Hon. Mr. Walker: Mr. Speaker, later today I will be introducing for first reading a bill entitled the Technology Centres Act. It is a piece of legislation of central importance to our economic future, for it will help to place Ontario industries at the cutting edge of technologies that are shaping the new industrial revolution.

Microelectronics, robotics, computer-aided design and manufacturing are just a few of the new technologies we must embrace if we are to hold and advance our place in today's fiercely competitive world.

As its name implies, the Technology Centres Act will provide legislative authority to proposals by the Board of Industrial Leadership and Development to establish a number of centres across the province aimed at capitalizing on the opportunities inherent in those emerging technologies.

The locations and mandates of six centres have been announced and represent an estimated expenditure by the Ontario government of \$126.5 million during the next five years.

I trust that within a very short time, after the consideration of this bill by the Legislature, we will be able to provide further details on the operation of the centres and the appointment of their boards of directors.

The legislation comes none too soon. The application of high technology can yield and is bringing about immense productivity gains and cost reductions in many of the industrialized countries of the world. As Canada's most industrialized province, Ontario is under intense pressure to find ways of doing the same.

The Technology Centres Act will improve the supply of trained researchers, provide world-class scientific and industrial research facilities and ensure a dynamic climate of innovation in Ontario.

DEATHS AT HOSPITAL FOR SICK CHILDREN

Hon. Mr. McMurtry: Mr. Speaker, copies of this statement have been given to the leaders of the opposition parties, and I believe additional copies now are on their way over for our critics.

We all share a deep concern respecting the circumstances surrounding the tragic increase in the death rate of the babies in the cardiac ward of Toronto's Hospital for Sick Children between the months of July 1980 and March 1981. I have discussed the matter with the Minister of Health (Mr. Grossman) and the Solicitor General (Mr. G. W. Taylor) and have met with the senior officials of the ministry and Chief Ackroyd and his senior police officers.

There have been suggestions as to the steps that should be taken at this time. These include the preferring of an indictment or the establishment of a public inquiry as two options. I have reviewed all the circumstances in what I consider to be the best interests of the public and those directly concerned. I have concluded that the most effective and just process would be the continuation of the police investigation.

We must establish the facts concerning the tragic deaths and those that are unexplained and may be considered homicides. It is absolutely imperative that we first establish which of these deaths are homicides, for that is essential to the aggrieved parents, the public, the hospital and the administration of justice. The necessary investigations can be carried out most effectively by the police, for they have both the authority and responsibility to pursue these matters as far as is humanly possible.

2:20 p.m.

Chief Ackroyd has advised me that every resource required has been made available to the police in the conduct of their investigations as the new facts have come to light, and further and additional resources will be provided as we continue with this exceedingly important investigation.

The Solicitor General advises me that in carrying out this investigation the police will have the full support of the chief coroner, Dr. Ross Bennett, and the Centre of Forensic Sciences, each of which has been significantly involved in the matter. It has the top priority of both the police and my ministry.

If, upon the completion of the investigation, we find that charges may not be properly laid against any known perpetrators of these acts, then I believe that a public inquiry will be a

further process to pursue the circumstances surrounding these deaths.

The results of such a thorough and detailed investigation will be of the essence to such a public inquiry should be it become necessary, and indeed it must be remembered that should such an inquiry produce any new evidence relevant to the commission of any offence, charges could then be laid for any violation of the law arising from any of the circumstances.

I must admit to surprise that some lawyers, who ostensibly appreciate the nature of justice and the rights of individuals, should suggest a public inquiry now, when homicides have been established and the murderers are still at large. Surely in our system of justice it is imperative that we pursue at this time a course that will bring the murder or murderers before the courts without undermining the process by which we ensure every accused a fair trial. It is for this, as well as for other reasons, that I feel our first responsibility is to pursue the identification and charging of those responsible before embarking on a public inquiry.

With respect to the third alternative, the preferring of an indictment, may I say that this will always be available to me as Attorney General should there be evidence and circumstances that warrant such action.

The preliminary hearing has been completed and the investigation will now continue, as I have already stated, as a top priority and with all necessary resources that may be required from any agency involved. The senior crown law officers will be available to the police at all times.

I would like to say in closing that I respectfully agree with His Honour Judge Vanek, where he said in his reasons for judgement in relation to the prosecution at the preliminary hearing:

"I do not want to dwell upon it but say, for instance, in the case of crown counsel, a very able prosecution of this case was made and I dare say all the facts that could be gathered that were relevant were put before the court. In that regard, what I think particularly worthy of comment is, when I say all the facts, counsel certainly went as far as he could to put not only the facts that told for the prosecution but, as well, the facts that he found that told against the prosecution and in favour of the accused."

Hon. Mr. Grossman: Mr. Speaker, as the Attorney General (Mr. McMurtry) has indicated, all of us share a profound sense of sorrow and distress at the tragic and unexplained

deaths of infants at the Toronto Hospital for Sick Children. In view of the anxiety and uncertainty which now exists, I believe it is imperative that we undertake immediate action within my authority to restore the confidence and trust of the public that this institution has always enjoyed.

I have reviewed Judge Vanek's findings as they apply to the responsibilities of the Ministry of Health, and yesterday afternoon my associate deputy minister and I met with Duncan Gordon, chairman of the Hospital for Sick Children, Douglas Snedden, its executive director, and J. E. Stibbard, its administrator. We discussed those aspects of the findings, and they reviewed for me the significant changes they have made in their procedures in the past 14 months.

I have also discussed the situation with my colleagues the Attorney General and the Solicitor General, who share between them responsibilities for the investigation and prosecution of any criminal acts which contributed to these deaths.

For my part, my responsibilities relate to the current operation of the hospital and the quality of care which it provides to patients at present. My review and others which my senior staff have had with the hospital administration since the criminal investigation began have dealt significantly with those procedures and practices in the hospital which may have been factors in these deaths.

The administration of the hospital has assured me, and Judge Vanek has taken special and specific notice of this fact, that drug controls within the hospital have been, in the words of the judge, "very considerably tightened." I think it is important to emphasize that there have been no unexplained deaths in the cardiology area in the hospital in the past 14 months.

While this is somewhat reassuring, the judge also referred to another unusual death elsewhere in the hospital this past January and to certain other activities which he described as "curious incidents and mysterious happenings."

The January death which I mentioned is the subject of a coroner's inquest, which is under way at present at the specific request of the hospital board. The other incidents are still being pursued by the police and others under the direction of the Attorney General.

Results from these various investigations, together with the assurances we have received both from the administration of the hospital and from the Canadian Council on Hospital Accreditation, I believe should reassure parents that

the Hospital for Sick Children remains pre-eminent among children's hospitals in the world.

I am, however, concerned that the investigation into these deaths may leave many parents uncertain or frightened in spite of the hospital's long record of exemplary care. It would be unthinkable if this confusion or fear caused any parent to deny his or her child the care only this unique hospital can provide.

To guarantee that all current procedures in the hospital are of the superior level expected in a world-class institution such as the Hospital for Sick Children, I have decided to appoint a team of independent investigators under the Public Hospitals Act. They will be directed to review any and all practices and procedures within the hospital which they believe are relevant to patient care delivery available at this time.

The investigators will have the power to inspect the premises, management and operation of the hospital. They will have access to any information about the hospital they may require from the administrator, a member of the medical staff or a hospital employee, and they will be able to examine and audit all hospital books, accounts and records.

I want to emphasize again that these investigators will not be involved in any way with the ongoing investigation of these most tragic deaths. That responsibility, of course, lies exclusively within the criminal justice system.

I am pleased to advise the House that Mr. Justice Charles Dubin of the Ontario Court of Appeal has consented to be chairman of the team of investigators. We are in the process of appointing at least two other members with appropriate medical and health care experience to work with Mr. Justice Dubin. These persons will be totally unrelated to the Hospital for Sick Children, and I expect that at least one of them will be from outside Ontario. I hope to be able to complete the appointments by Friday of this week so that the investigation can begin immediately afterwards.

In my discussion with Mr. Gordon, Mr. Snedden and Mr. Stibbard, we agreed that this type of review is essential, and they have assured me of their complete co-operation and full support. They are very concerned both about the adverse effect this situation is having on the reputation of the Hospital for Sick Children and its impact on staff morale. They are in full agreement with the need to review all practices and procedures in the hospital to satisfy public concern and restore public confidence.

I have asked Mr. Justice Dubin to complete the review at the earliest possible date and to inform both the hospital and my ministry of any recommendations developed during the process of the inquiry which the investigators believe require immediate implementation.

I intend to make this report public as soon as I receive it. In the meantime, I want to reiterate to the members of this Legislature and to the public that the hospital has implemented a number of changes to procedures over the past 14 months as a result of these tragedies. There have been, as I said earlier, no unexplained deaths in the cardiac area in this period. These changes, together with the tradition of excellence for which the hospital is known and the steps we are taking today, should serve to reassure the public, and particularly parents, with regard to the current procedures in the Hospital for Sick Children.

2:30 p.m.

ORAL QUESTIONS

DEATHS AT HOSPITAL FOR SICK CHILDREN

Mr. Peterson: Mr. Speaker, I have a question for the Attorney General. I certainly understand the sensitive nature of what we are all involved in and how we all want to pursue the truth in these matters. I respect the way the Attorney General has chosen to go about it, although in these circumstances I feel he has made an error of judgement.

There are many outstanding questions that will not be reviewed by the police. In fact, there are many questions that will not be looked into by the judicial inquiry constituted by the Minister of Health (Mr. Grossman), who I understand will have an inquiry directed to review all practices and procedures within the hospital which are believed are relevant to patient care delivery. We have to understand that this series of events took place a year and more ago. We also have to understand that to this time, at least to the best of our information, the police have not come up with an answer. Members are all aware of the black cloud that hangs over the Hospital for Sick Children now.

Would the Attorney General not agree with me that a public inquiry of all the circumstances involved, including the role of the coroner and the conflicting reports that have come out in the press about his role at various times, would serve better the cause of the Hospital for Sick Children so that we could remove that black

cloud as well as find the perpetrators of these crimes?

Hon. Mr. McMurtry: Mr. Speaker, there are a number of issues the Leader of the Opposition has touched upon. All these issues that are of public interest and that are relevant not only to the administration of justice but to the Hospital for Sick Children will be dealt with sooner or later. My colleague the Minister of Health has put in place an excellent process to reassure the parents of children who are now there or who will be in the hospital as to the levels of safety that can and should be expected.

In so far as our criminal justice system is concerned, the Leader of the Opposition must recognize that as long as there are unexplained deaths, deaths which might be a result of homicides, there is a fundamental responsibility on the part of the crown to see that these deaths are fully investigated.

I appreciate that this matter has taken some time. It is clearly a case fortunately without precedent in the annals of criminal justice, if not on this continent perhaps in the world, and it is a very complex matter. In our system, in recognizing the rights of all in society, we have always recognized that a high priority, normally the number one priority, is to bring the perpetrators of these criminal acts to justice.

While some people might say: "Why not have a public inquiry? We will bring everybody who has ever been in the hospital within the last two years or any relevant period of time before a public inquiry, and maybe we will get some admission from an individual or individuals that will allow us to lay a charge," as the member knows, this has never been the manner in which we proceed in this province or, generally speaking, in this country. We do not proceed with public inquiries, and we do not proceed with inquests while there are ongoing criminal investigations.

Surely it must have occurred to the Leader of the Opposition that if there is to be a public inquiry, as compared to the task of laying charges, a fundamental purpose of setting up any public inquiry, if the criminal investigation exhausts itself, is to determine how many homicides are involved. Judge Vanek has stated he is satisfied that at least four homicides have occurred. The police have stated, with the concurrence of crown counsel who were involved, that there is the possibility of many more. Surely this is a matter that must be determined prior to any public inquiry, quite apart from the rights of

individuals generally in relation to the criminal justice system.

Mr. Peterson: I understand what the judge has said. He said that the crown attorney in the circumstances put forward all the facts. I quote him from your own statement. He said, "... particularly worthy of comment is, when I say all the facts, counsel certainly went as far as he could to put not only the facts... for... but against the prosecution..."

Then we have a quotation from the crown attorney in the circumstances, in the Toronto Sun this morning, saying, "I don't think the full story came out at the preliminary hearing, that's all. I can't say anything more than that." And then we have a highly respected criminal lawyer in this city saying, "They have taken their best shot, and they missed in a fairly dramatic way..."

The minister understands as well as do I the number of conflicting points of view on this very emotional and sensitive topic we are involved in. What I am suggesting is that he will never resolve those as long as he proceeds along a course of action which has been tried for the past year or so and, to this point at least, has not yielded results.

The Attorney General understands the very sensitive position of the parents whose children may or may not have been murdered in that hospital. He can understand their anxiety. He understands, too, that the public inquiry constituted by the Minister of Health today, while it may serve some purpose, is essentially window-dressing in the circumstances because it is reviewing the patient care delivery system at this time. It is not addressing a lot of the broad questions that are involved here.

I appeal to the minister again to reconsider his point of view in the interest of all the conflicting reports that have come out of this question, as well as to put them all together in a sensible way.

Hon. Mr. McMurtry: If I were to be a little provoked, which I am not, I might be tempted to say that the Leader of the Opposition is demonstrating a rather superficial, if not very shallow, understanding of the issues involved in this matter. It is certainly quite clear that he has demonstrated, or is voicing today, a fundamental lack of confidence in the criminal investigation process. I just happen not to share that view.

Mr. Speaker: The Leader of the Opposition on a point of privilege.

Mr. Peterson: The Attorney General chooses to crawl into the gutter on this matter. I just do not think it is relevant in the circumstances—

Mr. Speaker: Order. That is not a point of privilege. The member for Port Arthur with a supplementary.

Mr. Foulds: Mr. Speaker, I would like to ask the Attorney General, with regard to page three of his statement, why he persists in the attitude that the preferring of an indictment against the former accused in the preliminary hearing is always an option available to him, when the judge said in the case, and I quote directly, "There is powerful evidence in disproof of the allegation that the accused is the person who caused the death of the four babies."

Has the Attorney General given any consideration at all, in view of the judge's very powerful statement at the end of his report and because of the special and unique particulars of this case, to giving an ex-gratia payment for legal fees and other compensation to the former accused, Miss Nelles?

Hon. Mr. McMurtry: Mr. Speaker, there appear to be several questions involved. I address myself to the issue of the preferring of an indictment because this is a question that many people have asked. I have indicated publicly and again today that it is not my intention at this time, indeed that it is unlikely. I have just acknowledged that that is a course which, pursuant to law, is available to an Attorney General, and of course would only be exercised in the proper circumstances.

We have an ongoing criminal investigation. I have not given any consideration to this matter other than the ongoing criminal investigation, and the need for an ongoing criminal investigation as being clearly in the public interest.

2:40 p.m.

Mr. Breithaupt: Mr. Speaker, a supplementary to the Attorney General who may wish to direct it to the Solicitor General (Mr. G. W. Taylor):

Since we have had two statements today with respect to the police investigation situation and the hospital situation, can the Attorney General advise if also we are going to have the third area, namely the apparent questions about the involvement of the coroner's office and some possible delays in reporting and various other procedures? Will this be looked into, as well as the circumstances which now surround the matter and the law as it pertains to the investigation of the deaths of persons in public institu-

tions, since it may be that area is worthy of a review, unfortunately under this same general rubric of a very serious and upsetting pattern of circumstances?

Hon. Mr. McMurtry: Mr. Speaker, this is something I have discussed with the Solicitor General. The honourable member may wish to direct a question to the Solicitor General.

Obviously, this is a matter that will be part of the review that the Minister of Health has just announced in so far as ongoing procedures are concerned. It may be that the ongoing criminal investigation will also turn up material of relevance to the coroner's office. That is what the member touched upon as the importance of involving the coroner's office when there appear to be suspicious circumstances relating to a particular death. I know it is a matter of great interest to the Solicitor General.

Mr. Breithaupt: Could the Solicitor General comment, Mr. Speaker? It is a most important area.

Mr. Speaker: Was that a referral?

Hon. G. W. Taylor: Mr. Speaker, this matter has been referenced to the coroner's office. The coroner's office in this particular matter acted expeditiously and quickly when it became aware of the problem. I might explain that they only act upon a reference when there is an unexplained or suspicious death involved.

Since the initial deaths involved here took place within a hospital, which would not cause them to initiate an investigation unless asked to by the attending physicians or physicians in the hospital, they would not activate the coroner's office until such time as they are requested. When requested, they did investigate immediately in this situation.

Indeed, when it became known that there was a connection between individuals, as it is stated in the judgement and by the coroner involved in this matter, the investigating police officers were brought into the matter.

The member has heard the Attorney General explain that should the situation in regard to the committee that the Minister of Health is setting up indicate that something more should be done regarding deaths in institutions, then the coroner's office would be interested in those findings. It may be that some of the legislation under which the coroner acts may be reviewed and may be improved and changes made so that all deaths in hospitals come to the attention of that office or are reported to it. That may improve the system.

That would naturally come at a later time, after the initial investigation at present being conducted by the police, so that could be done with all fairness to the hospital involved and with all fairness to any individuals who may potentially be charged as a result of the investigations. I think before we embark on a larger situation or hearing, these particular situations must be investigated more thoroughly so that those individuals may gain the fairness of all the judicial system, rather than, through a coroner's inquest at this time, pinpointing some difficulty in regard to these deaths under investigation.

Mr. Peterson: Mr. Speaker, I have a new question for the Attorney General. Given the facts that the investigations have been going on for some period of time, there have been no unexplained deaths in the last 14 months and this is being investigated by the police and others under the direction of the Attorney General, can the minister give some indication of how long this investigation will take before he tries another method to determine the truth in the circumstances?

Hon. Mr. McMurtry: Mr. Speaker, I should point out that the investigation is not under the direction of the Attorney General. The Ministry of the Attorney General remains available to assist, as we traditionally have, with respect to any—

Mr. Peterson: On a point of privilege, Mr. Speaker: The Minister of Health, on page two of his statement today, says, "The other incidents are still being pursued by the police and others under the direction of the Attorney General." I am quoting the minister's friend beside him.

Hon. Mr. McMurtry: I can well appreciate that the Minister of Health might say that in general terms, but I think it is important to—

Mr. Bradley: He left you out.

Hon. Mr. McMurtry: All right. This is a serious matter and not a high school debating forum as the Leader of the Opposition has been treating it since he took charge over there.

The fact is that the police are in charge of this investigation. We will give them whatever assistance we can, particularly when it comes to legal advice. The Ministry of the Attorney General does not purport to harbour the expertise that is necessary to deal with a very complex criminal investigation. We are confident that the citizens of the municipality of Metropolitan Toronto are well served by their police department, which does possess a large number of highly experienced criminal investigators. Cer-

tain judgements with respect to the course of this investigation must of necessity be left with that police department. That is what it is constituted for as a matter of law.

But I can say this, because I do appreciate that the public would probably be dissatisfied by an investigation that dragged on for a large number of months: I discussed this matter with the chief of police this morning, and he does appreciate, as do his senior colleagues, the necessity of concluding the investigation as soon as is humanly possible. But to put this within a time frame would be quite irresponsible. Obviously, as any experienced criminal investigator knows, the discovery of one fact may open up a whole new facet of investigation.

I can assure the House that the chief of police does appreciate the importance of completing the investigation as soon as is humanly possible, but we are not talking about days; we are probably not talking about weeks. Obviously this is a matter where, if there is going to be a public inquiry, as there may well be, it is important to conclude and exhaust the usefulness of the criminal investigation sooner rather than later.

Mr. Peterson: Given the extraordinary nature of these events—as the Attorney General says, there is no parallel that any of us can recall—does the minister not feel that a royal commissioner, who would have the power to subpoena, to cross-examine, to examine under oath, which the police would not have under the circumstances, may be an extra influence or power to get to the bottom of this matter as quickly as possible?

Hon. Mr. McMurtry: While one realizes that the priorities are to apprehend the perpetrator or perpetrators and to maintain the high level of public confidence in the Hospital for Sick Children, as I said earlier this afternoon, we do have a deeply entrenched system of justice that requires us to conclude a criminal investigation rather than simply set up a public inquiry. For example, in many cases, if we were to go that route, it would be very tempting for the police to avoid the problems of any criminal investigation and simply set up a public inquiry and compel any number of possible suspects to come before the inquiry and answer questions that they would have to answer.

There are certain very fundamental principles involved. That is why we have not followed this process. In another age it was referred to as the Star Chamber.

2:50 p.m.

Mr. Foulds: Mr. Speaker, understanding that finding the person or persons responsible for the homicides is of utmost importance to protect the children at the hospital and help begin the process of restoring public confidence in the Hospital for Sick Children, can the minister give the public of Ontario any idea how long he expects the police investigation to continue?

Can he explain why on two occasions in his statement he referred to “murderers” and “those responsible” in the plural? What in his briefings and conversations has led him to that conclusion?

Can the minister tell us how long he expects the police investigation to continue and how long he is willing to allow it to continue before he takes what he considers the possible step of a public inquiry further down the road, should the investigation not pan out?

Hon. Mr. McMurtry: Mr. Speaker, it would be most irresponsible for me to enter into any area of conjecture with respect to whether the police believe at this point that there were one or more persons involved in these frightening murders. We are not eliminating the possibility there may have been only one person nor are we eliminating the possibility there was more than one.

As far as the length of the investigation is concerned, I really have nothing to add to what I said to the Leader of the Opposition. It is impossible to put a time frame on it, but in view of the enormous importance of this matter and the public interest in it, the police do know it would be counterproductive if the investigation dragged on endlessly.

There are a number of issues involved besides the importance of apprehending the perpetrator. An investigation that dragged on endlessly probably would not be consistent with maintaining public confidence in law enforcement in this province. While I cannot give the honourable member a time frame, I can assure him and other members of the Legislature that the members of the Metropolitan Toronto Police are well aware of the importance of concluding an investigation sooner rather than later if possible.

Mr. O’Neil: Mr. Speaker, I take a particular interest in this as the Nelles girl comes from the city of Belleville in my riding. I thought perhaps the minister or some of his colleagues might answer some of the unanswered questions that have been asked by people in my riding, and by some newspapers and others in this province.

First of all, some of us wonder why the Nelles

girl was arrested. Was it because she asked for legal counsel? Why were some of the other people under suspicion not arrested at that time? How long had the minister known about other possible deaths than the three or four? What sort of precautions did he take during the trial hearing to see that no other incidents took place?

I would also like to ask the minister and his colleague the Minister of Health why they did not long ago set up some of these safeguards that they are talking about setting up today.

Hon. Mr. McMurtry: Mr. Speaker, the Minister of Health has already given a statement, as I did earlier, as to the number of deaths that have occurred since March 1981. Whatever steps the hospital took, and one can speculate about the circumstances, the fact is that since March 1981, the high, frightening number of deaths has decreased to a relatively low figure. It is to be hoped that will be relevant to the individual citizens who are concerned with the level of safety at the Hospital for Sick Children.

With respect to the circumstances surrounding the arrest of Miss Nelles, all I can state is I am satisfied the officers in charge of the case felt they had reasonable and probable grounds upon which to lay the charges.

Mr. O'Neil: On a point of privilege, Mr. Speaker: I do not believe the minister has answered all of my questions. I asked how long ago he knew there were possibly other connected deaths, other than the three or four. He did not answer that.

I asked him what precautions were taken at the hospital to see that additional deaths did not happen. I would also like to know why no one else was charged at that time. It would appear, from some of the newspaper reports over the weekend, that there were people in that hospital who were there during the times of all the deaths of those children and yet those people were not charged.

I would like to ask him why Susan Nelles was the one charged. I do not think those questions have been answered.

Mr. Speaker: I think the Attorney General has answered to the best of his ability at this point.

Mr. Foulds: Mr. Speaker, I have a new question for the Minister of Health about the same matter. I welcome the inquiry he has set up. Even though it is not a public inquiry, my interpretation of his statement is that in fact it will become that.

I would like to know whether the inquiry he has set up, as well as making regular reports public to the minister and to the Legislature, will have spelled out for it specifically its terms of reference in more detail than the minister has outlined at the bottom of page 3.

In particular, will the minister inform the House whether or not the terms of reference will include not only the items mentioned at the bottom of page 3 but also the basic questions as to the administration of the hospital, the keeping and handling of records and drugs and, in particular, the relationship between the hospital and the coroner's office? Has the minister been able to determine, for example, why the coroner's office had not been notified of this extraordinary series of occurrences and unusual deaths?

Hon. Mr. Grossman: Mr. Speaker, may I assure the acting leader of the third party that all three matters he mentions would be included. In fact, I tend to look towards a general description of the items to be included in the scope of the investigation because I want to do quite the reverse; I do not want to restrict the investigation. I want to give Mr. Justice Dubin and his fellow investigators the opportunity to review all procedures they feel need to be reviewed within the hospital, including those three mentioned.

I think that is very important to answer all the outstanding questions. Having talked at some length with Mr. Justice Dubin this morning, I am satisfied that will occur. If there are any matters he feels are not specifically included, I would expect him to call and ask for some further guidance. I cannot conceive of any, outside of those that might interfere with the criminal investigation, that we would object to.

I might add that I appreciate the fact the acting leader of the third party appreciates the importance and seriousness of this investigation, as opposed to the rather immature and careless position taken by the Leader of the Opposition.

Mr. Foulds: Recognizing that there has been—whether we like it or not—an extraordinary sense of disquiet on the part of parents of Ontario and a loss of confidence in the Hospital for Sick Children, will the minister make clear the procedures that his inquiry will operate under? Will he also spell out in detail the powers the inquiry will have in order to obtain papers, records and testimony from witnesses?

3 p.m.

I have been assured by the hospital that full access will be available to and provided to the investigators. Under the Public Hospitals Act, the investigators do have full and complete access to those records and information. Therefore, a simple look at the Public Hospitals Act and investigatory procedures under that act will spell out quite explicitly the powers we have given to this inquiry.

Mr. Nixon: Mr. Speaker, will the minister make clear whether the terms of reference of his judicial commission will include some reference to the fact that the coroners have complained they have not been kept informed as to the unfolding events over these many months, now years, and that the internal investigation at the Hospital for Sick Children did not involve all the relevant departments, including pathology?

Since it is clear from the statements by the judge, the Attorney General and the minister that these were deliberate homicides and the perpetrator or perpetrators are still at large, does the minister feel that commissioning Mr. Justice Dubin and commissioners is going to be sufficient to maintain confidence in the hospital, with which we are all so concerned?

Hon. Mr. Grossman: Mr. Speaker, with respect, I think there were two parts to that question. In the first case, yes, those matters of the relationships and the number of cases that are referred to—

Mr. Nixon: Relate to the specific matters, the coroners' complaint and the pathologists' complaint.

Mr. Speaker: Order.

Hon. Mr. Grossman: Without repeating it, let me say as I recall here in the questions and answers, yes those matters will be dealt with by three or four investigators.

Second, do I believe this will be sufficient to restore public confidence? I think we find the hospital to be one that maintains a worldwide reputation. It has not had any unexplained deaths in this ward for 14 months; there has been a dramatic change of procedures; it is now controlling the drug in question, digoxin, probably more severely and more securely than any other hospital in the world. On that cursory view, on the basis of that analysis of the facts, one would be somewhat reassured, as I said in my statement.

In order to have full and complete reassurance—and we all have to face up to the fact that there is a cloud hanging over the hospital as a result of this—I think it is important that we

have the investigators in, that they have full access and that, rather than wait for a report some months or some weeks down the road, Mr. Justice Dubin report to us and to the hospital immediately upon discovering each and every new procedure he might feel ought to be put in place so it can be put in place, not at the end of his final report or several months later, but immediately upon reaching that conclusion. Based upon that sequence of events, I think we have a fair chance that the hospital's reputation can remain intact and parents can be reassured.

As I said earlier, it would be unfortunate if, as a result of this cloud, it was allowed to widen and the public perceptions and confusions surrounding the events that did occur were such that some children were not taken to the hospital when they really could be properly and safely treated only at that hospital.

Mr. Renwick: Mr. Speaker, I am sure that both the Attorney General and the Minister of Health will appreciate the sense in which I place this question to the Minister of Health, by way of supplementary to what the deputy leader of this party has placed before the assembly this afternoon.

The inquiry or the investigation, whatever the minister wishes to call it, is not an inquiry with respect to the question of the perpetration of the murders, which are of such intense concern to everyone, but is with respect to the public perception of the administration of the institution of the Hospital for Sick Children.

Therefore, will the minister consider, along with Mr. Justice Dubin, for whom, of course, we all have the highest regard, that it would be better if we, in accordance with accepted procedures in this province, proceeded under the Public Inquiries Act to have this investigation in public under the chairmanship of Mr. Justice Dubin, bearing in mind that the Public Inquiries Act of this province contains very specific and precise provisions for protecting persons who may in any way be involved with the parallel course?

It appears to me that the Minister of Health is attempting to come as close as he can to having a public inquiry without having one. I would ask, therefore, specifically to the Minister of Health, will he review with Mr. Justice Dubin and ascertain whether it would be advisable, under accepted, tried and true procedures under the Public Inquiries Act, to proceed with this question of protecting, preserving and restoring to the extent necessary the reputation of the Hospital for Sick Children?

Hon. Mr. Grossman: Mr. Speaker, might I begin by saying that in putting the question the member for Riverdale has talked about the investigation with regard to public perception of the hospital. I should like to make the record clear that this investigation is to deal with not only public perception—of course, the public confidence is very important—but also in order to be sure that restoration of public confidence is warranted. So it is a real review with regard to each and every procedure in the hospital and there will be complete freedom given to the investigators to review all of those procedures.

All of the options that he would know well have been canvassed by myself and my two colleagues over the weekend. In view of what the Attorney General has said in terms of a need to concentrate on finding who the murderer is or murderers are in this case, with regard to at least the four cases that are deemed by Judge Vanek to be homicides, is our paramount concern right now and I would not want anything to be done notwithstanding statutory or other protections—and the Attorney General would not want anything to be done notwithstanding those protections—that might in any way whatsoever, advertently or inadvertently, hamper the desire of the police and everyone to apprehend the criminals involved in the case of the proven deaths. Therefore, I believe the current procedure for our present circumstances is the most appropriate one.

OHIP PREMIUMS

Mr. Foulds: Mr. Speaker, I have a new question for the Minister of Health. Will the minister comment on—obviously he does not agree with it—the report of the National Council of Welfare on Canada's health insurance system? I refer particularly to pages 38 to 51, where the council castigates the Ontario government for its high Ontario health insurance plan premiums:

"Any tax that collected the same amount from a family living on less than half the average income and falling \$2,200 below the poverty line as from a household with an income double the average and four times the poverty line would make a mockery of the principle of ability to pay that underlies our income tax system. Yet that is precisely what health premiums do. They shift the relative burden of health financing from the better off minority on to the shoulders of the low and moderate income majority who are already strapped for cash."

Having considered that statement, and another

report released this morning that castigates this government for its adherence to a regressive form of OHIP payments, will the minister now approach the Treasurer (Mr. F. S. Miller) and ask him to roll back the 17 per cent increase in OHIP premiums that he indicated in his budget last week?

Hon. Mr. Grossman: Mr. Speaker, the answer to the last question is no. May I say very simply that my responsibility as Minister of Health is to ensure that the universality of the system is maintained, and accessibility is maintained to our health care system. I do not believe our premiums affect either of those for a variety of reasons. Those reasons I expect to be putting forward to the federal Minister of National Health and Welfare at the federal-provincial conference of health ministers which begins tomorrow.

As the honourable member may know, I was supposed to be in Ottawa this afternoon at a provincial health ministers' meeting, which I might say I suggested to my colleagues be held today prior to tomorrow's meeting of federal-provincial health ministers in order that we may discuss very many of these items. I, obviously, stayed back here today and missed today's meeting because of the circumstances surrounding Sick Children's Hospital. Nonetheless, I will be heading up to Ottawa later tonight. I expect some of these matters will be discussed in the white paper allegedly being distributed tomorrow by the federal minister of health.

3:10 p.m.

I should emphasize to the member that how those revenues are generated is largely a decision of the Treasurer. As Minister of Health, I do not believe the current system being employed by the Treasurer threatens universality or accessibility. In fact, I think the mechanism chosen by the Treasurer, particularly with the premium assistance program, works fairly well in this province.

Mr. Foulds: Does the minister not recognize that the present policy of the Ontario government curtails accessibility and the universality of our health care system? Does he not recognize that a number of people earning \$14,000 or less will now have to make the choice of not paying OHIP premiums and not being covered should they suffer a serious illness and that, therefore, they will be prevented from going to a doctor when they need care? Does the minister not think it is about time to roll back the OHIP premiums and start basing our health care

system in Ontario on a progressive system of taxation?

Hon. Mr. Grossman: First, the member knows that the Treasurer is open to suggestions with regard to ways to help fund the health care system, and the paper he put out as part of the budget dealing with payroll taxes is perfect evidence that he is very sensitive to this particular area. I applaud him for that.

If the member has details on any resident of this province who is being denied accessibility to our health care system because of the premiums this province levies, then he should do what he has always felt very comfortable doing, and that is to let us have the names. The member's colleagues always stand up and say, "Are you aware of my constituent, so-and-so, to whom the following happened?" The member does not have to take the time of the House, but if he would forward to my office the name of any single Ontarian who is being denied—

Interjections.

Mr. Speaker: Order.

Hon. Mr. Grossman: You do not want to hear it, do you?

If he will forward the name of anyone who is being denied access to the health care system in this province because of the premiums laid down by the Treasurer in his budget last week, I can assure him that appropriate steps will be taken. I will also bet him dinner that he cannot send me the name of a single Ontarian who is being denied access to the health care system because of the premiums.

An hon. member: At McDonald's?

Hon. Mr. Grossman: At McDonald's, with seven per cent tax.

Ms. Copps: Mr. Speaker, if the minister refuses to advise his colleague the Treasurer to roll back the increase in OHIP premiums, would he consider asking the Treasurer to raise the levels of eligibility for premium assistance? I would refer him again back to the report by the National Council of Welfare, which points out very aptly that a family of four in Ontario earning a little more than \$11,690, \$4,375 below the poverty line in this province, is now being forced to pay its whole premium despite an assistance program that he says covers the poor of this province.

Hon. Mr. Grossman: Mr. Speaker, I can only say that the Treasurer is always sensitive to those kinds of situations, and in drawing up his budget he takes a great number of things into

consideration. Obviously he could have chosen to do a variety of other things to help fund my \$6.5 billion budget, of which OHIP premiums cover 19 per cent. But in choosing to find ways to fund the health care system and all the other responsibilities of government the Treasurer was particularly sensitive to other alternatives he had. For example, had he raised the retail sales tax a couple of points the member would justifiably have raised concerns about that being a tax on the poor with no premium assistance available to help that income bracket get by or get relief from the tax.

Those are the kinds of things the Treasurer has to balance, and I must say as a member of this government that all members of this government are fairly comfortable with the kind of budget he brought down last week and the kind of balance he always seems to strike in these matters.

Mr. McClellan: Mr. Speaker, in view of the minister's flamboyant generosity with the doctors—he does not like "\$1-billion settlement;" the \$748-million settlement, which has raised their incomes 52 per cent after three years to a net income of \$122,000—does the minister not think the excuse for extra billing is now gone, evaporated because of his generosity?

Does he not think that because of the statement in the National Council of Welfare's report that "user charges interfere with access to health care in the worst way possible by deterring low-income Canadians"—they are talking specifically about extra billing and they are talking about research studies that document that fact—the time has now come for him to reverse his policy, to go to the conference tomorrow and to argue, along with whoever else is at that conference who is prepared to support him, that the government in Ottawa and all provincial governments should now put an end to extra billing across this country and restore the integrity and the universality of our medical insurance program?

Hon. Mr. Grossman: Mr. Speaker, I am happy to say the new Health minister from Saskatchewan will probably be supporting this government on very many items the member disagrees with us on, as indeed his predecessor did just a few short weeks ago, so that we will have a sense of political philosophy of this.

In terms of what the honourable member quotes as the generosity we have shown to doctors, I know the member wants to take the

long time frame because that builds up the amount of money we have given to doctors.

To refresh the member's memory, he will recall that last year this government agreed with the Weiler report and gave the doctors a 14.75 per cent increase.

Mr. Laughren: The ministry always gives them what they want.

Hon. Mr. Grossman: This year we did not give them what they wanted.

Mr. Foulds: You gave more.

Hon. Mr. Grossman: Does the member for Port Arthur think we gave them more? Does he think that? This year we gave them 11 per cent in April plus three per cent in January, which is an effective—

Mr. McClellan: We know what the figures are.

Mr. Speaker: Order.

Mr. Martel: You gave them the store.

Hon. Mr. Grossman: I will bet the member for Sudbury East does not know.

Mr. Speaker: Never mind the interjections, please.

Mr. Martel: He might stick to the question.

Hon. Mr. Grossman: We gave them 11.86 per cent this year. That is the effective cash flow this year. So in comparison, they got 14.75 per cent last year and this year, notwithstanding all of the strike activity, they ended up with an 11.86 per cent increase. Next year they will end up with something like 9.2 per cent or 9.3 per cent.

Therefore, what the members deem to be generosity, obviously a lot of people are deeming to be more evidence that this government will not put enough money into the health care system, particularly since we are, unlike other sectors, reducing the amount we are paying in terms of the increases to the medical profession. All of that should be put in some perspective.

Finally, it has been acknowledged that there would be a cost of changing the present system since Hall, whose shrine the member worships at, has indicated that if one ends opting out we will have to have a system of compulsory arbitration or something like it in order to make sure that the doctors get fair compensation.

One can only read that as indicating that the present system is not giving them fair compensation and therefore governments, under the member's magic solution, would have to pay more. Those people the member's acting leader was worrying about a moment ago, those at the lower end of the income scale, would end up

paying more money for the medical services they are getting, not less.

TAX BURDEN

Mr. Cunningham: Mr. Speaker, I have a question of the Minister of Revenue. In view of the budget's imposition of a seven per cent sales tax on labour costs for the repair of tangible personal property and such items as buses, cars, trucks, computers and all movable equipment, is the minister aware that many municipalities and school boards contract out repairs to other local governments to save money and to avoid unnecessary costly duplication of services? In particular, the government stated one of its objects in establishing regional municipalities would be the more efficient delivery of services at a lower price to the ratepayer.

3:20 p.m.

Can the minister inform the House, and local government across Ontario, whether this eminently sensible and sane practice will now be penalized by his government by forcing them to pay a tax on labour repair costs? If the minister intends to tax municipalities for this—

Hon. Mr. Davis: Never heard you support this before.

Mr. Cunningham: Sorry?

Mr. Speaker: Never mind; just ask the question, please.

Hon. Mr. Ashe: Tell your writer to make shorter questions.

Mr. Cunningham: —it is a damned good one—and if the minister will be in a position to penalize the municipalities for the mistakes made by this government over the years?

Hon. Mr. Ashe: No, Mr. Speaker.

Mr. Cunningham: Can the minister inform this House whether municipalities such as the regional municipality of Hamilton-Wentworth, which have different incorporated agencies such as the Hamilton Street Railway Co. and Canada Coach Lines contracting out repairs between themselves, will be in a position where they will find themselves billing each other and therefore be subject to a seven per cent labour tax?

Hon. Mr. Ashe: That is the proposal contained in the Treasurer's budget and will be in the legislation. For service work that is done on an organization's own behalf, it is not taxable. If it is billed from another association, organization or company, it will have to include a sales tax component.

EMPLOYEE HEALTH AND SAFETY

Mr. Martel: Mr. Speaker, I have a question for the Minister of Labour. Why did the Ministry of Labour in the lead regulations of last August establish 0.15 milligrams for each cubic metre while in the United States the levels are 0.05 milligrams for each cubic metre, or three times lower than those established in Ontario?

When the US Occupational Safety and Health Administration is seeking to have the acceptable lead level of 0.6 milligrams a litre reduced to 0.4 milligrams, why are we prepared to send workers into the work place with lead levels of 0.7 milligrams per litre?

Hon. Mr. Ramsay: Mr. Speaker, I think the honourable member is referring to an allegation reported in last week's *Globe and Mail* that the health of Ontario workers exposed to lead is not adequately protected compared with their counterparts in the United States. I simply do not accept that proposition.

Mr. Martel: With lead levels three times higher, I would like an explanation why, but I will ask a supplementary. The *Globe and Mail* reported, referring to deputy minister Dr. Robinson, "She said workers can be removed from exposure any time they show symptoms of lead poisoning, and this is monitored by employee-management health and safety committees in each of the 600 factories working with lead."

Is the minister aware that last December I asked his predecessor how many companies with 20 or more employees had health and safety committees? The response was that the occupational health and safety division was not aware of any work places in Ontario where there is a legal requirement for a committee in which a committee has not been established.

Based on those two facts, can the minister tell me why charges have not been laid at Wilco, where 19 workers suffered lead poisoning in November and December last year and where there was no health and safety committee?

Is he now prepared to table in the Legislature the names of the 660 companies which are covered under the lead regulation, the names of the union or worker representatives on the 660 company health and safety committees and the up-to-date data regarding whether companies have completed the lead assessment programs or not?

Hon. Mr. Ramsay: In the case of the Wilco company the member refers to, I know we took the ultimate step in closing down the operations

of that plant. We could have prosecuted it, but that would possibly have left the plant operating in a manner that would not have been helpful to the employees. We took the ultimate step of closing it until it adheres to the regulations.

As far as prosecutions are concerned, in the fiscal year ended March 31, 1982, there was a total of 198 prosecutions in construction, 78 in industry and four in mining sent to the legal branch. I think that indicates the act is being followed and enforced. As for the member's question about releasing the information he has referred to, I will look into that immediately and will have an answer for him tomorrow. At the moment, I see no reason why that information cannot be released.

Mr. Wrye: Mr. Speaker, I want to return to my friend's first question regarding permissible standards for both lead and other substances.

The minister will be aware that, so far, finalized regulations have been filed only for lead and mercury. It has been almost two years since the proposed regulations were filed for a total of eight substances. Could the minister explain why it has taken so long to file the regulations for the other designated substances?

Further, could he explain why the lead standard, as my friend pointed out, is three times the permissible level in the United States, the proposed asbestos standard 10 times the level recommended by the National Institute for Occupational Safety and Health in the United States and, finally, why the proposed vinyl chloride standard is twice the permissible standard in the United States?

Hon. Mr. Ramsay: Mr. Speaker, two regulations are now in effect, those for lead and mercury, and two regulations are in the hands of the advisory committee, those for vinyl chloride and coke oven emissions. I am told the advisory committee will be meeting on June 8 to deal with the first two.

This is more or less the final stage in a long period of consultative processes and I am optimistic that regulations will be in effect shortly on these third and fourth substances, vinyl chloride and coke oven emissions.

With regard to the lead regulations, it is my understanding that a detailed examination was made of the existing studies published around the world in respect to setting the standards for lead. There was a very open and consultative approach by both labour and management with regard to setting those standards

COMPENSATION FOR UFFI HOME OWNERS

Mr. Epp: Mr. Speaker, in the absence of the Attorney General, I will ask this question of the Minister of Revenue.

In Kitchener-Waterloo, a hearing will be held today and tomorrow with respect to 552 assessment review cases involving urea formaldehyde foam insulation. Given an average of six hours a day, that would mean 1.3 minutes per case. Since the minister is obviously concerned about justice not only appearing to be done but also being done in this province, would he assure this House that he will sit down with the Attorney General to see what can be done to have these cases held in a proper fashion?

I might also point out that the room in which these 552 cases are to be heard seats only 50 to 60, so that people line the hall, staircases, elevators and every other place in the building. Will the minister please tell us what can be done with respect to these cases and what he will recommend to the Attorney General?

Hon. Mr. Ashe: Mr. Speaker, quite properly, this question should have been directed to the Attorney General. Obviously the member is aware of the jurisdiction. The Ministry of Revenue does not operate the assessment review courts at all; it is really just part of the process, as is the appellant.

I am as concerned as the honourable member about the number scheduled in these two days. I would foresee, and I can really only put it in that context, that the court in its timing and scheduling, considering that the whole issue is the same—in other words, the urea formaldehyde foam insulation question—may think that over a period of two days it will be able to get a satisfactory feel for the problem in that area and may very well properly come up with a decision that would apply to all of them. Needless to say, I am not predetermining what it is going to do or even suggesting how it is going to do it. I think that is the only explanation that is probably reasonable and practical.

3:30 p.m.

I see my colleague the Attorney General (Mr. McMurtry) is not here right now, but I will be happy to discuss it with him and get back to the member or have the Attorney General get back to him. As we know, the two days in question are today and tomorrow; so we may find out the court is able to take care of that significant number on the grouping basis.

Mr. Epp: I might say it was not able to look after them, and it had to defer a lot of cases this morning when I was at the hearing.

Given that I reintroduced a private member's bill here a few months ago which, if adopted, would help to expedite the cases at the review hearing and at the appeal hearing process, and given that this is both a provincial responsibility and a federal responsibility, will the minister take a serious look at Bill 40, which I introduced, and speak to the Attorney General in the hope of introducing a new process that would expedite the hearings?

Second, will the minister assume the responsibility of discussing this problem with both the federal and other provincial ministers so that a national policy could be adopted, or certainly a provincial-federal policy could be adopted, which would deal with this very serious problem involving thousands of cases? Some people have had to sell their homes at a 50 per cent reduction of what they originally paid for them or what the market value would indicate they are worth.

Hon. Mr. Ashe: Vis-à-vis legislation on changing the procedure, I understand my colleague the Attorney General will very shortly be introducing legislation into this House to deal with a procedure on assessment appeals which will expedite the process in the future as well as taking care of some of the backlog. Frankly, I am not too sure that will resolve the question at hand vis-à-vis urea formaldehyde foam insulation, but I think it is something that is needed and something we have been working on for a long time and involving the Association of the Municipalities of Ontario.

As far as urea formaldehyde foam insulation is concerned, needless to say, we are all concerned about that issue. If a certain jurisdiction in Ottawa had not allowed and encouraged it in the first place, we might not have the problem we now have before us. There is no doubt in our deliberations with any of the federal ministers—I am speaking about the member's federal Liberal colleagues—we keep pointing out to them the various problems, which include lost potential revenue for municipalities. It should be part of their responsibility to compensate through the province back to the municipalities for any lost revenue that comes out of the assessment review court procedures.

GOVERNMENT ADVERTISING

Mr. R. F. Johnston: Mr. Speaker, I have a point of privilege of a fairly long-standing nature, which has only just come to my attention in the

past few days. It has to do with the tendency of the Minister of Community and Social Services (Mr. Drea) to get up in the House in response to charges, try to find one item, then bluster on about it and try to discredit the role of the opposition. That may be a totally legitimate role for him to play, but he has no right to mislead the House or to give misleading information. That is the charge I would like to put forward today.

Mr. Speaker: Order.

Mr. R. F. Johnston: I have not accused him yet.

Mr. Speaker: I would ask the member for Scarborough West to withdraw those remarks, please.

Mr. R. F. Johnston: Mr. Speaker, I will withdraw the remark that he has been misleading the House and allow you to draw your own conclusions from the information I am about to give you. I withdraw the remark if you interpreted it that I was saying he had misled the House.

On October 29, 1981, in response to a question I had asked about initiatives or the lack of initiatives and incompetence surrounding day care in this province, I had raised the question about \$850,000 being put towards television advertisements by the ministry. The response was, as reported at page 2940 of Hansard, "I do not know where he got his information, but an expensive television advertising campaign has never been considered in this regard and will not be done."

Just recently, I tabled a series of written questions. The new deputy minister, who was not around and therefore did not know of this exchange with the minister and was not in a position to know that he should be protecting the minister in the answer that he gave, responded to my question of how much of the \$850,000 was actually spent, showing that only \$161,000 of the allocation of \$850,000 was spent.

He said, "Eight hundred and fifty thousand dollars was allocated to this program originally taking into account the possibility of television and radio commercials as part of the dissemination of information." In other words, they could not spend \$700,000 of it because they initially planned on putting it into television and radio ads just as I have alleged.

The minister misinformed the House last fall when he got up to bluster. I did not have the information but his deputy minister has just leaked the information and, as I suspected,

there was a memorandum which indicated that those were the minister's plans.

Hon. Mr. Drea: Mr. Speaker, the only reason the honourable —

Mr. Laughren: Withdraw!

Mr. Speaker: Order.

Hon. Mr. Drea: Mr. Speaker, the only reason the honourable member is up today is he promised people he was going to put on a show and he got cut off by the time.

Mr. R. F. Johnston: Oh, no.

Hon. Mr. Drea: Oh, yes. They are outside; they are here. He shot his mouth off and he got caught again.

The particular question put to me at that time was, is there \$850,000 for radio and television and other types of advertising? I do not know what there was when the first announcements were made, long before I was minister. There never was and there never will be \$850,000 worth of paid radio, television or any other kind of advertising, and the member knows it.

Mr. Stokes: Did you mislead the House?

Mr. R. F. Johnston: The answer is yes.

Mr. Speaker: Order. I would have to ask the minister to reconsider his remarks in impugning the motives of the member for Scarborough West.

Hon. Mr. Drea: Which motives, Mr. Speaker?

Mr. Speaker: I think you—

Hon. Mr. Drea: I will not impugn motives to the honourable member.

Mr. Nixon: You can impugn them; you don't impute them.

Mr. Speaker: Impute them, right. The member for Scarborough West.

Mr. R. F. Johnston: I am not concerned about the imputing of motives—

Mr. Speaker: Well, I am.

Mr. R. F. Johnston: —I have begun to expect that from the minister, but I would like you to investigate the obvious contradiction between these two pieces of information—

Mr. Speaker: Order. There is obviously again a difference of opinion and a difference—

Some hon. members: No, no.

Mr. Speaker: Just a minute.

Ms. Copps: It's on the Order Paper.

Mr. R. F. Johnston: He lied to the House. It is straightforward.

Mr. Speaker: Order. That is not, with all respect, the responsibility of the Speaker.

Mr. R. F. Johnston: Those were both statements made in the House; one in written form and one orally. The minister can say anything he likes; he lied to this House.

Mr. Cooke: The facts are the last thing he cares about.

Mr. Speaker: Order.

REPORT

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

Mr. Kerr from the standing committee on procedural affairs presented the committee's report and requested that it be placed on the Order Paper for consideration pursuant to standing order 30(b). The committee's report was read as follows:

Your committee recommends that the standing orders be amended by adding thereto the following standing order:

Except as provided in standing orders 2, 63, 64, 94 and 95, when the members are called in for a recorded vote the division bells shall ring until the whips return to report to the Speaker that the members are ready to vote, but at no time will they ring for a longer period than eight hours, at which time the Speaker will call for the recorded vote of the members then present, whether or not the whips have returned.

Your committee further recommends that debate on the report be deferred until the fall sittings of the House.

3:40 p.m.

GOVERNMENT ADVERTISING

Mr. Martel: I want to go back to the point of order, Mr. Speaker, because there is something wrong and I think the situation cannot be tolerated.

Let me quote what was said in the Legislature in October 1981. I am quoting from page 2940 of Hansard. The minister is responding:

"I might add that, in a question he asked, the honourable member recently accused us of planning a \$750,000 television campaign as a component of this particular initiative. I do not know where he gets his information, but an expensive television advertising campaign has never been considered in this regard and will not be done."

That is the minister's statement and I put it forward. The response by Mr. R. M. McDonald, the Deputy minister, says, "Eight hundred and

fifty thousand dollars was allocated to this program originally, taking into account the possibility of television and radio commercials as part of the dissemination of information."

That is not a matter of a difference of opinion; it is a statement by the minister saying it had never been considered and a statement by the deputy minister saying it was considered.

Let me quote it again. The deputy minister says, "Eight hundred and fifty thousand dollars was allocated to this program originally, taking into account the possibility of television and radio commercials . . ."

That is the point of order. The minister shakes his head and says, "No, it had never been considered," while the deputy minister said, "Yes, it was considered." That is not a matter of a difference of opinion. Those are two statements that are directly contradictory, and someone has to come up with the facts as they really are.

Hon. Mr. Drea: Mr. Speaker, it is very simple. The allegation was made by the member for Scarborough West way back when, and he was wrong on a number of other things, including Metro Toronto not having received one red cent.

Mr. Mackenzie: Come off it. You're sick.

Hon. Mr. Drea: Mr. Speaker, I would ask that that remark be withdrawn.

Mr. Speaker: I think that was just an expression of opinion. It was not unparliamentary in any way.

Hon. Mr. Drea: Mr. Speaker, the allegation was that we were going to spend \$750,000 on radio and television. Such a proposal was never considered.

Mr. Martel: Is your deputy lying?

Hon. Mr. Drea: No, he is not lying. His answer is perfectly compatible with mine.

Mr. Speaker, if you will analyse those words, you will find that the deputy is referring to the matter historically, before I became minister in this portfolio. I became the Minister of Community and Social Services in April 1981, and I can assure the House that at no time was such a paid radio and television campaign envisaged, either by myself or by anybody in my office or in the communications branch of my ministry.

Mr. Martel: Mr. Speaker, what does this mean?

Mr. Speaker: I have heard your point of order—

Mr. Martel: Well, maybe you can help me. What does this mean? Would you put an interpretation on it for me?

Mr. Speaker: No, I cannot.

Mr. Martel: Well, Mr. Speaker—

Mr. Speaker: You have raised your point of order—

Mr. Martel: Yes.

Mr. Speaker: —and if you will sit down—

Mr. Williams: Mr. Speaker, I rise on the point of order, which at the beginning was a matter of privilege: You asked the member for Scarborough West to withdraw a statement wherein he accused the minister of intentionally misleading the House. He withdrew the statement and subsequently, not once but twice, he said, sitting in his seat, that the member lied to the House. I would ask that he withdraw those statements.

Mr. Speaker: Did the member say that in his remarks?

Mr. Williams: He did, Mr. Speaker. I can attest to that fact. Would you have him withdraw those remarks?

Mr. R. F. Johnston: Mr. Speaker, I am sure Hansard will not have recorded the fact that I said that in my presentation. I may have said that as I was sitting down, and I withdraw it because it is unparliamentary—

Mr. Williams: Not “may,” Mr. Speaker; he did.

Mr. Speaker: Order. Just go ahead.

Mr. R. F. Johnston: I withdraw the term “lie.” I let the facts stand for themselves. There is \$700,000 unspent because it was intended to go into a media campaign, and the minister obfuscated the issue again and used that technique to do it, as he has done in the past. I believe he should be called to task for doing so.

I do not care if he puts me down on a point where he is right but not where he gives information that is not factually correct.

Mr. Speaker: We are dealing with a point of order that was raised by the member for Sudbury East (Mr. Martel). It certainly is more than a matter of a difference of opinion. It is a difference of information from two different sources. I am in no position to judge which is right or which is wrong. I will have to take a much closer look.

Mr. Nixon: Are you going to undertake to do that?

Mr. Speaker: I am only going to undertake to take a much closer look because I think there is

a use of words in the statement the member read that I would like to take a look at. Okay?

Mr. Martel: And you'll report back.

Mr. Speaker: I did not say that.

Mr. Martel: Well, what's the sense—

Mr. Speaker: As you know, that is beyond my role as Speaker. But I shall indeed take a look and see that the information gets back to the member for Sudbury East.

Mr. Martel: Could I raise what hinges on this, Mr. Speaker, and what I think gets to the root of it? I have said this to you before: I do not think the Speaker should be caught in the position of having to say somebody is right or wrong. Surely we are going to have to start sending these either to the procedural affairs committee or to someone else to sort out.

We cannot have this sort of distortion going on where we get something from the minister when he is trying to drive through and bulldoze everyone out the way—that is what he wants to do every time he is asked a question—and we get a response from his deputy minister which is totally contradictory. Then we are supposed to sit here and listen to a tirade against members and let him get away with it. We are not supposed to say he might be lying or distorting or misleading, even if he is. The person who gets thrown out—I know, because it has happened to me—is the guy who felt he was right.

There has to be some way of sorting that out, Mr. Speaker, because it is going to reach a point where you are going to be forced to make decisions on whether somebody should be thrown out. This cannot continue.

If a member has to withdraw after he has made an accusation, surely the other person, the one who made the statement, should show a little graciousness and withdraw his remarks. But in no way has the minister done that today.

Mr. Speaker: Order. It is an interesting point that you raise, but there are provisions to get the information.

Mr. Martel: What? Tell me what they are.

Mr. Speaker: During question period, as an example.

Mr. Martel: I have the information.

Mr. Speaker: With all respect, I cannot debate this issue, as you know.

Mr. T. P. Reid: You have been debating it for 15 minutes.

Mr. Speaker: No, I have not, with all respect. But I did undertake to take a look at it on behalf

of the member for Sudbury East, and I shall do that.

Ms. Copps: Mr. Speaker, on a point of order—

Mr. Speaker: Not the same one.

Ms. Copps: It refers to the same point of order.

Mr. Speaker: I will listen to you, but I thought I had explained my position.

Ms. Copps: Mr. Speaker, just to get some direction from you: I understand that according to the standing orders there is no provision one way or the other for the Speaker to comment on a statement made by a minister. However, if I understand correctly that the Speaker has agreed to take into consideration the point made by the member for Scarborough West, I ask him also to refer to other points of order having to do with the same minister which have been referred in the past and to take those under consideration as well.

If the Speaker is setting a precedent in this matter and is prepared to intervene on an allegation made about a minister, I believe that intervention should not simply respond to a simple point of order of one member but should respond to all the points of order raised by various members of both opposition parties during the last session of the Legislature.

3:50 p.m.

Mr. Speaker: If it is indeed the same point of order, when I look into the matter, as I did say I would, it will include everything.

INTRODUCTION OF BILLS

TECHNOLOGY CENTRES ACT

Hon. Mr. Walker moved, seconded by Hon. Mr. Gregory, first reading of Bill 124, An Act to establish Technology Centres.

Motion agreed to.

Hon. Mr. Walker: Mr. Speaker, a statement was made earlier today that expands on the bill in somewhat more detail than I will go into now. However, the bill provides for the creation of technology centres whose mandate is to promote and enhance the application of technology to improve the productivity and competitiveness of Ontario industry and commerce.

LIQUOR CONTROL AMENDMENT ACT

Mr. Samis moved, seconded by Mr. Charlton,

first reading of Bill 126, An Act to amend the Liquor Control Act.

Motion agreed to.

Mr. Samis: Mr. Speaker, the purpose of this perennial bill is to enable independent grocery store owners to sell beer. I apologize to the member for Brant-Oxford-Norfolk (Mr. Nixon) for not acknowledging his perennial support for this progressive bill.

RESPONSE TO WRITTEN QUESTIONS

Mr. T. P. Reid: On a point of order, Mr. Speaker: I had expected the acting House leader to table some answers to questions on the Notice Paper. I draw to your attention and his that I have had one question on since March 17 on public opinion polls and another since May 3 on the Ministry of Natural Resources. We have had 92 other questions answered but not my two. I know it is nothing personal, but I think the answers are overdue.

Mr. Speaker: I am sure it is nothing personal, and I am sure the minister will take due note of it and endeavour to get the information.

Mr. Wildman: On the same point, Mr. Speaker: I raise the same concern with regard to question 136, which I tabled in this House on May 7 and which, according to rule 81(d), should have been answered on Friday. I draw your attention to this rule, which states: "The minister shall answer such written questions within 14 days unless he indicates that he requires more time because the answer will be costly or time-consuming or that he declines to answer . . ." In other words, there should be at least an interim response.

This question was directed to the Minister of Industry and Trade (Mr. Walker), who just left the House, and I have yet to receive even an interim answer.

Mr. Speaker: I am sure the acting House leader will take that under consideration and will endeavour to spur the minister on to greater efforts.

NOTICE OF DISSATISFACTION

Mr. Speaker: Pursuant to standing order 28(b), the member for Essex North (Mr. Ruston) has given notice of his dissatisfaction with the answer to his question given by the Minister of the Environment (Mr. Norton) concerning watermain construction grants to the township of Rochester. This matter will be debated at 10:30 this evening.

ORDERS OF THE DAY

CITY OF TORONTO 1981 ASSESSMENTS COMPLAINTS ACT (continued)

Resuming the adjourned debate on the amendment to the motion for second reading of Bill 60, An Act to provide for the Institution of Complaints for Certain Assessments made in the Year 1981 in the City of Toronto.

Ms. Bryden: Mr. Speaker, last Tuesday we discussed Bill 60 all evening. The two Liberal speakers joined this party in being very critical of this bill and the methods used in the reassessment blitz which occurred in the city of Toronto last fall. The Liberal spokesmen, in spite of their criticism of the procedure and the bill, declared they were going to vote for the bill. I find this hard to understand, particularly when an alternative was placed before them by my colleague the member for Riverdale (Mr. Renwick) when he moved a reasoned amendment.

The member for Riverdale also expressed very strong criticism of the bill. He read into the record the views of many of his constituents that the reassessment blitz of last fall was conducted by the ministry's staff in an arbitrary and unfair manner. He suggested that the bill was a tacit admission by the minister that he was wrong in the way the reassessment was conducted in the city of Toronto last year and that, instead of correcting the situation by a rollback of what most people consider an improperly conducted reassessment, the minister was trying to save face by this bill. This bill merely allows those reassessed to appeal to the assessment review court even if they did not appeal before the January 12, 1982, deadline.

The member for Riverdale claims that this remedy would prove to be no remedy for most people and that it might even result in further assessment increases for some home owners after the assessors have had time to do more studies of the assessments they had made and perhaps to collect additional data, because under the Assessment Act the onus is placed on the home owner to prove that an assessment on his home is wrong. The more data that are brought up by the assessor, the more difficult it is for the home owner who is not an expert in valuation methods to refute these data and to prove that his home has been improperly assessed.

The member for Riverdale and our party consider this bill such an inadequate response to a real injustice to home owners that we have

introduced an alternative remedy. This is set forth in the reasoned amendment which my colleague read into the record last Tuesday and which I seconded. The reasoned amendment simply says that, because the fall reassessment was conducted on such a shockingly unfair and hit-and-miss basis in the city of Toronto, it should be rolled back for the 1982 tax year.

If the House votes against Bill 60 on second reading, then the House can vote for our reasoned amendment, which refers the bill back to the government for redrafting to provide for the rollback as an alternative remedy. That is why we will be voting against second reading of Bill 60.

We want our alternative of going back to square one on the faulty reassessment blitz put into the legislation and put in place of the present legislation. Neither of the Liberal speakers dealt with our alternative at all. Actually it had not been moved at the time the first one spoke, but the second one did not deal with it.

4 p.m.

Since the member for Parkdale (Mr. Ruprecht) objected so violently to the methods used in the assessment blitz and had so little faith in the appeal procedure, as it presently operates, I can see no reason why he and his Liberal colleagues should not also vote against the bill and vote for our reasoned amendment. Presumably, they would not object to a rollback. In fact, the member for Parkdale indicated he would have supported the city of Toronto's request for a rollback and that should have been in the legislation.

It is clear that this legislation is not the usual run-of-the-mill bill. Unlike most provincial legislation that affects all residents of the province or a large proportion of them, it relates only to those who occupy or own certain properties in the city of Toronto designated in the schedule to the bill. Almost 5,000 properties are listed in 34 pages of fine print.

This bill is simply a face-saving bill that tacitly admits the minister has made an error. It is not a property tax reform bill. Heaven knows property tax reform in the city of Toronto is long overdue; great inequities have developed over the years from the outmoded assessment system. Property tax reform is long overdue in the province as a whole. Ever since the province took over the assessment function from the municipalities in 1970, it has been promising us property tax reform.

The inequities in the outmoded assessment system have been well-documented. In munici-

palities, they are causing an erosion of their tax base from well-heeled commercial operations that are able to successfully appeal some of their assessments on the basis of comparison with other properties that are underassessed. Studies have shown that the property tax is a regressive tax, that it hits the low and middle-income earners more than the rich. It also hits the apartment dweller more than the home owner, but he does not see it because it is hidden in his rent.

As more and more responsibilities have been loaded on to local government by the province, the unfairness of the property tax is magnified. Welfare and social costs are rising due to the recession, which the province is helping to intensify by its failure to create jobs and stimulate the economy. Inflation has added to the costs of all levels of government and increased the burden of this unfair tax. The province has stubbornly refused to relieve property taxpayers by shifting some of the responsibilities, which are not directly related to property, back to the province.

The province has access to other kinds of tax of a more progressive nature. It should use those tax sources to support these social services. Social welfare, health and a greater percentage of education costs should be paid for from provincial revenues.

Instead, the province has increased the burden on municipalities for these services by consistently keeping the increase in its grants for these services below the inflation rate in recent years. As a result the municipalities have to pick up a larger share of the costs or reduce services. In many cases, such as welfare, in a period of high unemployment, they cannot reduce services.

The province has also stubbornly refused to give the municipalities access to more progressive forms of taxation, such as income and corporation tax or sales tax. Other provinces do give a share of these taxes to the municipalities to lessen the load on the regressive property tax.

Since 1970, the province has spent hundreds of millions of dollars on false starts to reform the assessment system so that properties would be valued at fair rates; but every year we are faced with a government bill suspending any change for another tax year because the province's studies have indicated that its new valuation system—based, presumably, on market value—will result in a huge shift in municipal taxes from commercial, industrial and apartment owners to residential taxpayers and tenants. The reason

is that residential property has been increasing in value at a much faster rate than that of other properties because of shortages and speculation.

As an example, in 1977 the ministry did a market value assessment on sample areas in the city of Toronto to test the effect of moving to this yardstick. In the Beaches-Woodbine area, 264 properties close to Queen Street between Lee and Willow were assessed. The results showed that there would be a 17 to 20 per cent increase in tax in year one on a three-year phase-in, and that by the end of the three years there would be a 26 to 28 per cent increase in taxes on all but eight of the 264 properties. The New Democratic Party is opposed to market value assessment because property taxes would end up reflecting artificially inflated values of property, often fuelled by speculators.

Moreover, market value assessment can never be a suitable yardstick for measuring all classes of properties because there are at least four or five different markets: one for residential properties, one for apartments, one for commercial and one for industrial. These markets have been going up at different rates in recent years, with residential going up the fastest.

Market value assessment would produce a huge shift in the tax burden to the home owners because of this fact. In the fast-growing areas of the inner city and in popular locations like the eastern beaches in my riding, the increase in the tax burden on home owners would be astronomical. It could result in the loss of homes by some people, particularly those on fixed incomes.

Instead of market value assessment the NDP favours a system of economic value assessment, known as EVA. It is based not on what property would sell for, a highly volatile and fluctuating figure, but on what the property is used for. Taxes would then depend on the size and quality of the house and on the current use to which it is put; if the use changed, the assessment would change. Similar family houses would pay the same taxes regardless of location.

Property tax reform does not mean only a new system of valuation. To make property taxes more related to ability to pay, reform must also include an improved property tax credit. Our present one has not been revised to keep up with inflation, and it now gives relief to only a fraction of those who originally qualified and who still need relief because of low income.

As I said earlier, the bill is not a property tax reform bill; we should be clear about that. I am disappointed that it is the only response we have

had from this government this session to the need for property tax reform. This bill is part of a plot by the Minister of Revenue (Mr. Ashe) and the government to shift the responsibility for reassessment to the municipalities and let them take the lumps from home owners. The province is running away from its responsibility to bring in true property tax reform, which will value properties on an equitable basis, provide for an adequate property tax credit and reduce reliance on the regressive property tax. Those are the three parts of true property tax reform.

4:10 p.m.

Instead of getting this kind of reform, we have a device known as section 86 of the Assessment Act. It says to the municipality, "If you will invite the province to do market value assessment in your municipality within classes of property, it will see that home owners as a whole or any other class continue to bear the same share of the total tax burden as they did in the past, but some properties will go up and some will go down." In the city of Toronto a recent test showed that 57 per cent would go up and 43 per cent would go down.

In the city of Toronto, there are people who are underassessed; there is no doubt about that. That is why we need a new yardstick to bring in a fair assessment. But bringing in market value assessment is not going to produce an equitable tax system. It will not protect taxpayers against excessively large increases in any one year. It will not allow for adjustments in the burden borne by different classes of taxpayer when the sharing is obviously unfair.

Section 86 is a halfway house, which will produce greater equity than the present system in the city of Toronto, based on ancient 1940 replacement values. But section 86 market value reassessment does not face up to the need for real tax reform of the type I have outlined.

The minister has to date conned 349 out of the approximately 837 municipalities into adopting section 86 reassessment. They are attracted by the desire to reduce inequities within classes and to stop the erosion of the tax base, which I mentioned earlier, by large commercial firms successfully winning reassessment cases on the basis of inequities in the system.

Market value assessment for the city of Toronto would be a disaster. It would result in the loss of homes by many home owners in the inner parts of the city or in the more popular areas where prices have risen much faster than in other places. The city of Toronto has not requested section 86 treatment because it is

only too aware of the disastrous consequences to low and middle-income earners if no ameliorating improvement in the property tax credit is granted by the province. So it has said, "Until you do that, we will not ask for section 86 treatment nor will we consider market value assessment." The ball is, therefore, back in the province's court.

The Minister of Revenue is attempting to force the city of Toronto into his bag of municipalities who are taking on the unpopular switch to the new assessment system. So he has devised a system of reassessment harassment for city home owners. Last fall's reassessment blitz was one example, where property taxpayers in some parts of the city experienced increases in their assessment ranging up to as much as 400 per cent.

Also, starting this spring, he is undertaking, at the request of Metro council, a reassessment to produce an impact study for a possible adoption of section 86. This is going to result in further assessment harassment in that he is bringing in 372 assessors from outside the city to join with his close to 200 in the city to knock on every door which has not been knocked on recently in the city of Toronto and to work out a market value assessment.

He has learned a little from the mistakes of last fall. He has sent out a kit to all members of the Legislature informing us he is at least taking into account home owners' concerns about the sudden knock on the door, and about the sudden drop by a postman of a new assessment notice. This time he is notifying all the home owners when he is coming into an area. It is just by householder mail. I am not sure whether home owners will pay that much attention to it.

He is also asking some of his assessors to call between 5 p.m. and 8 p.m., to make one out of two calls at that hour if the person is not home. If two calls do not produce any contact with the home owner, he is going to leave a form saying the home owner can phone the assessment office for an appointment.

This is all to the good but it still leaves a great deal to be desired in the assessment system. In the first place, the notice that comes out after a reassessment contains no indication there has been an increase, no reference to the previous assessment and no reason as to why there has been an increase. Of course, if an increase is not mentioned, one would not expect to find reasons. The assessment notice simply says if one is not satisfied, one can come to an information meeting or contact the assessment office.

The information meetings for last December's blitz were all held at city hall, none were in the neighbourhoods. They were held between December 2 and December 16 which is an extremely busy time of the year for most citizens. Most of them did not really realize their assessments had gone up since there were no notices that they had, and therefore they did not avail themselves of the information meetings. Home owners should be notified when an assessment increase has occurred and why it has occurred.

There should be printed guidelines on the reasons for reassessment and how they are arrived at. What is the value of a new patio or cedar deck in one's backyard? Is that a subject for reassessment? What is the value of replacing an old bathroom with a new one? Is that a subject for reassessment? Many home owners think that is normal maintenance.

These principles are something that have to be explained in printing; there has to be more than just calling the assessor, assuming one has time to contact him when he is in his office and when one is at work in many cases.

The reassessment going on right now for the purposes of studying whether section 86 should be adopted in the metropolitan area will create many more fears for taxpayers because the assessor will call, but they will receive no statement of what his findings are for their residences. These findings will be fed to the municipality for study and for analysis, as to the effects on the taxpayer, but the home owner will not realize why he is not receiving a result of that call and may feel very uncertain about his tax position for 1982.

Of course, the new budget is also likely to cause considerable concern among property taxpayers in the city of Toronto. It has loaded on to the municipalities some very significant increases in costs which were not allowed for in their 1982 budgets.

Hon. Mr. Ashe: Mr. Speaker, on a point of order: I have sat here with great indulgence listening to the ramblings of the honourable member which are not at all relevant to the bill. We went all through the section 86 program which was not relevant. Now we are talking about budget implications which are also not relevant. I would appreciate if the substance of the bill could be addressed by the member.

4:20 p.m.

The Acting Speaker (Mr. Cousens): In mak-

ing her remarks, I would ask the honourable member to tie them into the bill, please.

Ms. Bryden: Mr. Speaker, I do think the budget is relevant because it is going to greatly increase costs to municipalities. Therefore, there will be additional taxes to be paid on top of the additional taxes due to reassessment.

To get back to the bill which relates to reassessment largely for renovation purposes, I would like to say that I agree that where there is a substantial renovation which adds a room or increases the space of a house, there should be an additional assessment at some stage. However, I do not think we want to discourage home owners from improving and upgrading their property. I think there should be a phase-in for any reassessment that comes from a substantial renovation.

There should be a higher floor on the kind of renovation one is allowed before a reassessment is applied. It was a considerable time ago when the figure of a \$2,500 increase in market value was set as the floor below which no reassessment would occur and costs have risen greatly since that time. Something like a \$10,000 increase would now be a more reasonable floor in order to encourage renovation. My colleague the member for Etobicoke (Mr. Philip) has introduced a private member's bill to that effect.

As far as improvements which are simply maintenance are concerned, such as putting in new storm windows or energy conservation, I find it hard to consider that those should attract reassessment. They should be encouraged rather than discouraged.

The methods that were used for the fall blitz seemed very unfair in that whole areas of the city were picked where the assessors knew that renovating homes was a popular activity. Then they moved in and did fast assessments, apparently often based merely on external examination. The owners of some homes on the streets said they had not been visited at all but still received a reassessment.

I refer the minister to the case of Mr. Norman Houghton on Kenilworth Avenue in my riding. His assessment went up from \$3,046 to \$6,355, which is more than a 100 per cent increase. He is a retired pensioner and is expecting to face a doubling of his taxes next year even if there is no increase in the mill rate. It appears likely that there will be at least a 10 per cent increase in the mill rate this coming year in the city of Toronto.

When he asked the assessor why his assessment had more than doubled, the assessor said, "Because of the improvements." He then asked,

"What improvements?" According to Mr. Houghton the assessor said he did not know. Whether he had been told not to specify until they got to court or whether he really did not know is hard to say. Mr. Houghton said he had put in new thermal windows and a deck at the back but he did not think it would raise the value of his house by more than \$2,500; and certainly would not double the assessment.

Over 6,000 properties were reassessed in the fall blitz in the city of Toronto. There were 2,400 in ward seven, 1,700 in ward five, over 1,300 each in wards six and eight and about 500 in my ward. If one looks at the list of the homes that were reassessed,—and I have a copy of it—one finds that on a street like Kenilworth, at least 40 properties on both sides of the street were reassessed with increases, while on the next street over, Kippendavie, I do not think there is a single one; and on many streets there are only two or three. So this kind of shotgun reassessment was grossly unfair.

Some city residents will have to pay double and even triple the amount in taxes next year, and other city residents who had substantial renovations but were not covered by the blitz will pay no increase in tax because of reassessment.

The deadline for appealing these assessments in the court of revision was January 12. More than 18,000 Toronto residents did appeal this year, about a 50 per cent increase over last year. The Liberal speaker, the member for Waterloo North (Mr. Epp), pointed out that the backlog before the court of revision is so large that a great many of these appeals probably will not be heard for a year, or even two or three years. I believe that in the meantime the person has to pay the taxes and hope for a possible refund.

As my colleague the member for Riverdale (Mr. Renwick) pointed out, many of them may experience not a decrease but a possible increase, because that is certainly allowed in the appeal process. He produced documentary evidence that in the appeals heard in previous years in the city of Toronto there had been an actual increase of several millions of dollars in assessment resulting from the appeals, so many taxpayers found it was counterproductive to appeal their assessments.

I think one has to consider that taxpayers are at a great disadvantage before the appeal courts. Most of them have to take time off, for which they lose pay; if they hire a lawyer it is an additional cost, and the total cost may be more than the extra taxes. On the other hand, most of

them do not want to pay another \$1,000 or \$1,500 worth of taxes.

No records are kept of the proceedings or of the judgements, so the taxpayer has no precedents to go on. All he can do is simply compare his assessment to that of properties he considers to be like properties on the roll in his area. Under the present assessment system in the city of Toronto he is comparing a valuation system that is very difficult to understand, since it is based on 1940 replacement value or some similar yardstick dating back 40 years; he does not know how much of the assessment is for land and how much is for services or proximity to services that might increase the value of the land. So he is at a great disadvantage in his appeal, and his chances of gaining anything from this bill are very limited indeed. As I say, he may actually lose as a result of this bill.

For these reasons, and because of the arbitrary and unfair nature of the assessment and the lack of notice to taxpayers, many home owners and some aldermen in the city of Toronto called for a rollback of the whole blitz program in the city of Toronto. I think they were justified in asking that the assessors go back to square one and do the reassessment the right way, with full public notice, full public information, publication of guidelines and so on.

4:30 p.m.

The minister refused this demand, which came directly from the city of Toronto to him. I think some of the city of Toronto people met with him on this matter. He refused this demand and he refuses to admit the methods were improper. However, by bringing in Bill 60 he has tacitly admitted there was something wrong. His method of notifying home owners a little more adequately about the new impact of the assessment under section 86 indicates that he thought some of the previous methods could be improved upon.

In our opinion, the rollback is the only remedy and that is why we have moved the reasoned amendment. This will enable the Legislature to vote against the present bill and then to vote in favour of referring it back for redrafting to bring in a rollback, a proper reassessment system and a proper system of real tax reform. Home owners and tenants will be infinitely better off with this answer to their unfair treatment than with the Bill 60 response. It is really just a sop to them and may not benefit them at all.

I would like to suggest that if we are going to

get real property tax reform we have to go a different route from that of this bill. We have to go the route of a new yardstick based on economic value and not something as volatile and unpredictable as market value. We have to go for a proper tax credit that will bring our tax system into relationship with ability to pay. We have to give the municipalities alternative sources of revenue and move some of the responsibilities that are loaded on them at the present time from the municipalities to the province in order to produce less reliance on this very regressive tax.

So, Mr. Speaker, I will be voting against the bill.

Mr. McClellan: On a point of order, Mr. Speaker: Do we have a quorum?

The Deputy Speaker ordered the bells to be rung.

4:38 p.m.

The Deputy Speaker: Order. I acknowledge that a quorum exists.

Mr. Williams: Mr. Speaker, having listened to the former speaker on this subject and having read Hansard with interest in regard to comments made by other members on this particular bill at an earlier time, I felt compelled to participate in the debate this afternoon, given the fact that there appear to be two issues that continue to cloud the real intent and purpose of the legislation before us for consideration.

I was most impressed by the contribution made by my colleague the member for St. George (Ms. Fish) the other evening in the debate on this bill when she elucidated, in such a careful and clear way, the historical development of assessment in the city of Toronto which, for historical reasons perhaps, differed somewhat from other municipalities around the province as well as differing from some of the other municipalities within the Metropolitan Toronto jurisdiction.

She made a fair assessment of the differences and distinctions but, in so doing, came down hard in support of this legislation. The rationale for doing so was clearly set out in her remarks and is certainly most deserving of being read by members from the opposition parties who may have recognized the validity of her comments but have chosen to ignore the logic that has been applied to her thoughts and conclusions.

4:40 p.m.

I addressed myself to this topic earlier on when I had an opportunity to speak in the throne debate. What prompted me to join in the

debate at that time was that the member for Parkdale (Mr. Ruprecht) had seen fit to comment on this very subject.

The matters raised by the member for Parkdale at that time might have gone unnoticed except for the fact that he clearly indicated to the House that he was enunciating the policy of the Ontario Liberal Party and was not just expressing his own personal views on some fundamentally important aspects of assessment. Consequently, I felt it appropriate that those comments, stated on behalf of the Ontario Liberal Party, not be left unnoticed or go without comment.

I would like to address two of the main inconsistencies in that speech by the member for Parkdale, which I think in large measure have been restated this afternoon by the member for Beaches-Woodbine (Ms. Bryden). The issue appears to have become clouded, perhaps deliberately. Or perhaps it is just a misunderstanding by some of the learned members about the differences and distinctions to be made between reassessment and market value assessment and the application of section 86.

Both the member for Parkdale and the member for Beaches-Woodbine dwelled at some length on the fact that market value assessment has been under review in the Metropolitan Toronto area since the beginning of March, when the assessors aggressively started to act upon the request of Metropolitan Toronto council to conduct a section 86 study in order to provide that municipal jurisdiction with the information it required to determine whether it is appropriate to apply market value assessment in this jurisdiction. I think the issue has been clouded by the fact that both members have tended to blend that and the reassessment process together.

The member for Parkdale, back in March, had suggested that the people of Metropolitan Toronto, and in particular of the city of Toronto where the reassessments had been taking place, were being terrorized by unprecedented waves of assessors being brought in to go about the area and reappraise properties that had additions or other work done to them to improve their value.

Of course, the truth of the matter is that those reassessments to which the bill is directed were all undertaken last year, in 1981, long before a large number of assessors were seconded from other areas to be brought in for the specific and separate purpose of undertaking the impact study requested by the Metropolitan Toronto council.

As I stated a few moments ago, those who were brought in to assist the assessors already within the Metropolitan Toronto area did not go about their work in earnest until early in March of this year. Consequently, their activities are totally unrelated to what happened back in the fall of 1981 in the reassessment process that was undertaken at that time by the team of assessors that is located and works in Toronto out of the assessment office in the Toronto area.

The member for Parkdale built upon that confusion by suggesting the large number of assessors that came into Toronto, albeit not to do reassessment but to do the impact study, was brought in in unprecedented numbers. I had to state at that time, and I think it is important to this debate that it be restated, that there have been a number of instances where, given the circumstances when a municipality has asked the Ministry of Revenue through its assessment services division to do an impact study, assessors have been seconded from other areas and brought in to assist in doing an impact study in the shortest possible time, given the resources available to the assessment services division as a whole.

I point it out to show this was not, as alleged, a new precedent that was being established. In 1978 and 1979, for instance, 80 assessors were brought into the Cambridge and Kitchener areas to assist the local assessors to do a market value impact study. In the same year, 30 assessors were seconded to the Timmins area to do the same thing. It just so happens 110 assessors were brought into that area to do an impact study in the same way there were initially 110 assessors brought into the Metropolitan Toronto area to embark upon an impact study there, in keeping with the wishes of the Metropolitan Toronto council.

I cite a second example which I cited in the earlier debate, but which I think warrants repetition. In 1980, 100 assessors were seconded to go into the district of Muskoka, again to assist the local assessors and reinforce the number of assessors there to do an impact study at the request of the regional municipality. I believe these examples clearly refute the allegation that has been made that waves of assessors in an army-like fashion have been brought into Metropolitan Toronto in an unprecedented way to conduct a market impact study.

The Deputy Speaker: Just in connection with that, I am sure I have missed it but I have been following you closely; how does that tie in to the bill?

Mr. Williams: That was exactly my next comment, Mr. Speaker.

More importantly, those allegations have nothing to do with reassessment, which is what this bill is all about. Yet they went to great lengths to suggest these assessors somehow related to the reassessment process that had taken place in 1981. That is the first cloud on the issue that I suggest was brought up inappropriately back on March 18 by the member for Parkdale as well as this afternoon by the member for Beaches-Woodbine.

4:50 p.m.

The other very important cloud that I think exists and must be spoken to is the fact that to grant a tax holiday, as is being suggested—and I reiterate that the member for Parkdale suggested this was the policy of the Ontario Liberal Party, not just his own personal point of view; and I believe it is a substantive part of the reasoned amendment that has been put forward today by the third party as well—does not speak to the fact that should a tax holiday be granted, the logic of which, I must say, escapes me, it would have a prejudicial effect on the rest of the residential taxpayers not only in the city of Toronto proper but in all the other municipalities in the Metropolitan Toronto area.

It would be interesting to see whether the member for Beaches-Woodbine and the member for Parkdale would like to go out into their constituencies and explain to their constituents the fact that their real property taxes would go even higher if this tax holiday were extended to a specific group of people whose properties have been fairly and properly reassessed; or, more importantly, if the tax holiday were granted on an even broader base that would take into account all residential tax classes in the city of Toronto, as I think one can infer from the position that was taken by the member for Parkdale back in his March 18 address, in which he was speaking again on behalf of the Liberal Party of Ontario.

If a tax holiday were granted to the group that is singled out in this legislation under the schedule that is a part thereof, it is my understanding that this would result in lost assessment totalling approximately \$14 million, or a loss in taxes of approximately \$3 million; however, if the tax holiday were extended more broadly to cover all residential tax classes within the city of Toronto, it would balloon the amount of lost assessment in that year of tax relief to \$70 million in lost assessment, or \$14 million in lost taxes.

I think the other residential home owners in the city of Toronto would like some kind of accounting of why that type of relief is being granted to those whose properties would appear in large measure to have been underassessed and undertaxed in the first instance, why a tax holiday should be granted to compound the inequity that had been created earlier when people had received a form of tax holiday through a much lower assessment than they really deserved. I would like to hear those members explain to the residential home owners in their ridings why other home owners in their area should bear that additional tax burden to pick up the slack.

Not only does it affect home owners in the city of Toronto other than this group who are being provided with equity in this legislation by giving them the benefit of the doubt that, if they had for any reason missed the opportunity for appeal, they would still be given that right, it prejudices all the residential taxpayers in Metropolitan Toronto: the people living in my riding in the city of North York, in the boroughs of Etobicoke and Scarborough, York and East York. The reason is that the tax levy across the board in Metropolitan Toronto, as it relates to school taxes, is borne by all the taxpayers within Metropolitan Toronto, so that of the 100 per cent of taxes that would be lost through the tax holiday to city of Toronto home owners, 75 per cent of those would also be borne by the rest of the home owners throughout the whole of the Metropolitan Toronto area, because a large portion of their tax bill relates to the school levy and the metropolitan tax levy.

Consequently, as I said at that time and I say again today, I suggest that for the Liberal Party in a very grandiose way to suggest there should be a tax holiday granted, as the third party is now suggesting as well, as a favour to these people is to do an injustice to the residential home owners on a broad base across the whole Metropolitan Toronto area. I suggest that rather than terrorizing the particular home owners designated in Bill 60, the truth is that all the taxpayers across the Metropolitan Toronto area would be victimized if this type of tax holiday were to be granted in the inequitable fashion being proposed by the two opposition parties.

It was for this reason I felt compelled to rise this afternoon and endeavour to put the matter more clearly into perspective. Before people tend to rush forward to take what politically looks like the very desirable approach of grant-

ing tax holidays, they had better consider the total ramifications of so doing.

In concluding my remarks, this bill is designed to deal with a specific problem equitably and fairly. I suggest it does so by singling out and providing an opportunity to those people whose homes were reassessed, through renovation or for other reasons, largely within the inner city of Toronto. It gives them in some instances a second opportunity and in other instances a brand new opportunity, which will be extended to no other people, to go before the assessment review courts to have their cases heard if they feel that for any reason they have been unfairly treated in the assessment process.

This may have some legitimate application, and I think perhaps both parties are to blame in this instance, in those limited cases where it may have particular validity, in which an assessor was not able, for one reason or another, after one, perhaps two, or even three visits to a home, to gain access to a property to do as thorough an inspection as would normally be done, leaving that assessor with no alternative but to do an "eyeball" assessment of the property from the outside. We recognize and accept that is not the best way to assess accurately property of any type, whether residential, commercial or industrial.

In those instances in particular, where people were not at home, given the numbers of calls that were made, and perhaps with legitimate reasons, certainly those people will have a second opportunity to have their homes more thoroughly assessed.

5 p.m.

This act recognizes that fact and provides for a new reassessment to be made in those cases where the assessor and the home owner affected can come to terms or, failing that, the home owner will have an opportunity to have his day in the assessment review court if his feelings about the value of his property differ from the reassessment made by the assessor. If they agree, it is my understanding they can participate in a signed agreement that would permit them to file with the court, thereby avoiding the necessity of the home owner having to attend the court.

In any event, the important point is that this bill does give the benefit of the doubt to many home owners who feel they did not have adequate time to file assessment appeal notices for a number of reasons that have been stated by the minister and by others in the debate as well. The opportunity is there and I feel justice will be

done, as we have endeavoured to do throughout the whole process and in large measure have accomplished. This will be a conclusion of the implementation of that justice by ensuring that all home owners who have any reason or cause for complaint in this situation will have had their day in court.

Mr. Swart: Mr. Speaker, I rise to take part in this debate as a person who has spent a number of years in municipal life and watched the assessment system change quite dramatically since I was first elected as a councillor in 1948. The member for Oriole said he rose to put things, in his words, in perspective. I think at least some of what he said was his perspective, not the perspective of the public in general and certainly not the perspective of members of this party.

Bill 60 is symbolic of the malaise, the indecision, the ineptness and the unfairness in the assessment policies and practices of the Ministry of Revenue in the 12 years since it took over the assessment function in 1970 and more particularly in just the last few years. Any examination of the tortuous and devious route followed by this minister and his predecessors since 1970 leaves one bewildered as to any goal or consistency or logic in what has taken place since the assessment function was taken over.

Certainly it has all been done at tremendous cost. Darcy McKeough, when he left quite a number of years ago, admitted that the reassessment program that was done in addition to normal, routine assessment cost something more than \$100 million, and nothing substantial has been accomplished by that expenditure of public funds. For at least five or six years they removed the right for municipalities even to appeal their apportionment of the regional or school board assessment, the common cost to many municipalities. They even removed the right for them to appeal that.

It is even worse than that at present. Now what we have is an assessment system whereby we are assessing municipalities under one system, the old system, but we are providing the payment of provincial grants under a new system, and there are two systems in effect which in many respects are contradictory and certainly compound the unfairness of the old original system. Most of the inequities that existed still exist or have even been compounded, and we are now going to spend another \$2 million to \$3 million of taxpayers' money, in addition to what has been spent and what will be spent here in Toronto, on this reassessment.

Even by this minister's standards, and this is the minister who cannot even give out property tax credits without creating a great deal of controversy and resentment, the mess we have is almost unbelievable.

I remember the predictions made by many municipalities when the province decided to take over the assessment system from the municipalities. They predicted that delays and all kinds of other problems would exist, and perhaps would be caused, by the government assessment system. Certainly that has been proved to be the case.

What is proposed in this bill is really no solution. Like everything else that is being done by the government when there is a problem, it is a political façade. It is really not going to solve anything. I suggest to the minister he knows that it is not really going to solve the problem that exists, and it is going to cause a tremendous bureaucratic tie-up in the assessment review court. I suggest to the minister that he knows, as I know, the great bulk of those people, almost all of them, will not win when they go to the assessment review court. It is just a political manoeuvre that he and his government hope will somehow or other defuse the public resentment in the city of Toronto for the reassessment program here and the tremendous increase in taxes resulting from that program.

I want to ask the minister, and I hope he will answer this, what is going to be the stance of the assessors at the court hearings? Is it true that those assessors will be there defending the assessments they have placed on those properties? Of course, it is true that the assessors were following the directions of his ministry and, therefore, that they were following policies which will be before the court; they will be able to prove that they did follow those policies and, therefore, the assessments will stand. As I say, there will be very few reductions unless there is some direction from the ministry.

I am asking the minister whether he is going to give any direction to the assessors who will be appearing there to defend the assessments or at least to be witnesses on the matter of the appeals which will be before the assessment review court. We know there really is going to be no change on many of these assessments; of the 4,900—I guess it will probably end up being 5,500 or 6,000 that are going to be before the court—there will be no real change, and it will not be any solution to the problem. It will not reduce anybody's taxes.

My friend the member for Riverdale (Mr.

Renwick) moved the reasoned amendment that would revert the assessment to last year's assessment. That is the only route. If we are genuinely concerned about those people getting alleviation of those increases in taxes, that is the only route that can be followed.

5:10 p.m.

It is also true that Bill 60 sets a precedent, and it is unfair to other taxpayers in Metro and in the city of Toronto, because these problems exist across the whole province. Once again, the minister must know that. The same volume may not exist in other municipalities, but in every municipality across this province, and I refer particularly to Niagara, there has been the same attempt to pick up those exemptions which have now come to have a value of more than \$2,500.

An attempt has been made, and I hope the minister will reply to this when he rises, to pick up improvements which he found under his market value assessments and to tack them on to the old assessments as he has done in Toronto and as has been done throughout the province. But only in the city of Toronto is he giving the property owners who passed the deadline, for whatever reason, the right of appeal. Why is he doing it only in the city of Toronto and not elsewhere in the province? All of us here know the reason. It is because of the political pressure put on him to do that. It has nothing to do with being fair as the Assessment Act requires.

Let us take urea formaldehyde foam insulation as another example. The minister is not permitting those people who have legitimate cases, and there can be no question about that, to have rather massive reductions in their assessments and thus in their taxes because of a devaluation of their homes. When questions have been asked in this House, he has certainly refused them over and over again the right to have their assessments reduced. He will not even take any initiative as he is required to do under the act. Yet he is permitting appeals by this group. As justified as it may be that they should have the right of appeal, the same justification exists for many other groups in our society, and particularly those with urea formaldehyde foam insulation.

The minister stubbornly refuses to let them have the reductions in assessments. I see the minister is smiling about it. Those people who have urea formaldehyde foam insulation in their homes are a big joke to the minister. If he had come to some of their meetings, perhaps he would not be smiling as broadly about it as he is now.

We have this contradiction in what the minister is doing with this bill. This bill shows up the inadequacy of the whole assessment appeal system. It is really no alternative to the fairness and accuracy which should exist in the assessments that are done by the ministry. The simple fact is that people do not use the appeal system. We know that throughout Ontario only something like 20 to 25 per cent of the people who have urea formaldehyde foam insulation in their homes actually appealed that. Knowing how much the value of their homes was decreased, they still did not use the appeal process.

According to the minister's own figures, I believe there are only something like 1,200 people, or the same 20 or 25 per cent, out of the 6,200 or 9,000, whichever figure one wants to use—9,000 if one adds the condominiums and 6,200 if one does not—whose properties were reassessed and where changes were made in the assessments this year because of improvements, who had appealed their assessments by the deadline back on January 14.

It is not a satisfactory alternative to having the proper assessment done as is required by his ministry. Now he has come along with this measure which on the surface has certainly dampened the resentment at present but which will provide no solution.

People do not use the assessment appeal process. First, many of them do not use it because they do not realize they have assessment increases. Second, if they get increases in their assessments, they are not sure whether they apply just to their properties or whether it is a general increase. If it is a general increase, it will not push their taxes up.

More important, they think they do not know enough about the whole assessment appeal process to appeal them themselves, to carry through with it. They feel they have to get a lawyer if there is any chance of being successful; so they do not bother to appeal. They do not think it is worth taking time off work either. The cost of taking time off work and the likelihood of getting the assessment reduced does not balance off their loss of wages.

Finally, they do not expect they are going to win. The majority of them have not won in the past and will not win on this one. Only between five and 10 per cent of all the appeals that are made to the assessment review courts are successful on behalf of the applicant.

On matters of policy, the only solution is that the ministry make whatever changes it thinks are appropriate. It cannot pass the buck to the

assessment review courts. The ministry has to make those changes. If these people should have a reduction in their assessment, if it should be moved back, then that should be done by the ministry, rather than turning over 5,000, 6,000 or 7,000 of them to the assessment review court to be bogged down there for one month, two months, six months, or a year or more.

The minister should have the courage to make a decision on these cases and not turn them over to a court that is not really set up for these purposes, in the way the court is set up for dealing with matters such as urea formaldehyde foam insulation. The minister, as required under the act, should be making these determinations and not leaving it up to a review court.

We in this party are not prepared to go along with this bill. We know it will not help the people. We know it comes from the policy of the government and of the ministry. We are not prepared to go along with a bill that does nothing except provide a façade behind which the minister, and perhaps senior personnel in the ministry, are working to try to make a policy that is inappropriate and unfair to the people of this province, trying to add one more Band-Aid in the hope it can fool some people into thinking it is doing something.

Mr. McClellan: Mr. Speaker, I do not intend to speak at length on this—

[Applause]

Mr. McClellan: Don't tease the bear, as the saying goes. We are anxious to proceed.

I do have a couple of comments I want to make. I am in the fortunate position of being just outside the minister's swath. While I live on the east side of Bathurst Street and my riding is on the west side of Bathurst Street, my riding appears to have been spared, by and large, but I suspect that is just another manifestation of the minister's incompetence, rather than any special favour.

But I have had some experience with the process of these so-called assessments. When he was making his introductory remarks, the minister described what would happen under this bill. He said there would be a number of reinspections of the properties that are enumerated in the schedule of the bill—reinspections of 4,992 properties, or some of them. "Reinspections" is surely the wrong word for the minister to use. I do not have any way of knowing how many properties were inspected in the first place, but I know what happened on my own street, for

example, and so I can relate my own anecdotal experience to the minister.

My neighbour across the street had his assessment doubled. My neighbour to the north of him had his assessment doubled, and a neighbour four houses up the street had his assessment doubled. What is so remarkable about these reassessments—

Hon. Mr. Ashe: They missed you.

5:20 p.m.

Mr. McClellan: That is not remarkable, if the minister had seen my house. Of course, that is the nub of the problem: my house perhaps could use a coat of paint and, therefore, I was spared. I can be candid here: my neighbours, who have been more diligent than myself in maintaining the external appearance of their houses, were clobbered.

But that is not my point, which is that not a single one of the three neighbours I mentioned laid eyes upon an assessor or spoke to one. So I have to conclude that either the assessors are invisible, that the minister has a squad of invisible people who cannot be seen with the naked eye, or that they were trespassing; perhaps they broke into the houses and did an assessment while the occupants and owners were away at work.

One has the sense, and I suspect it is accurate, that a number of these inspections were done on the basis of somebody driving by and seeing that the house appeared to have been sandblasted, that a new verandah had been attached or that some landscaping had been done. On the basis of the external appearance, a whole set of inferences was made by the assessors with respect to the value of the property. I submit that is a preposterous and totally illegitimate process for this government to impose on any group of citizens.

As I said, we do not know how many of the 4,992 reassessments were undertaken in that manner. I can only speak of my limited experience in my neighbourhood; and, since my riding was spared, not many constituents have complained. However, my colleagues the member for Riverdale (Mr. Renwick) and the member for Beaches-Woodbine (Ms. Bryden), as well as the member for Parkdale (Mr. Ruprecht) and other members, have expressed the outrage felt by their constituents who were subjected to this travesty of a process. They have brought their complaints to their MPPs, who have relayed them during the course of this debate.

The minister sits there and says: "These are

not the facts. The truth will come out. You have your facts wrong." Well, I am sorry, but we are simply relaying the complaints brought forward by our constituents or, as in my case, speaking from the evidence of our own eyes. The minister can use whatever language he wants to categorize it, but the situation seems to be as I have described it.

That is the first problem that this silly episode illustrates. The question is why these reassessments occurred in the first place. That brings me to the second point I want to make, which is talking about section 86. The government spokespersons have been very upset about that. The minister does not like us to be talking about section 86.

The reason we are talking about it is that we are absolutely convinced the whole reassessment gimmick, which now has to be remedied by Bill 60, was simply one more attempt to try to push Toronto into accepting section 86, or market value assessment. I believe the minister conceded during the debate that he felt Toronto had been dawdling on the question of section 86. I may be misquoting the minister and he may want to stand in his place and say so, but I do not think I am. I think I heard him say that.

Hon. Mr. Ashe: If the member wants me to correct him, I had better do so. I think I used the word "dawdling," but it was to do with the whole property tax question and not necessarily vis-à-vis section 86.

Mr. McClellan: That is a very neat distinction, which I feel confirms the point I am making. I think this government does want the city of Toronto to accept and implement section 86 as the basis for assessment.

Without belabouring the point, I simply state that we in the New Democratic Party are unalterably opposed to the imposition or implementation of section 86 at present because of the evidence of the final report of the joint committee on property tax reform, prepared by the city of Toronto and adopted, I believe, on January 18, 1982.

A number of speakers have referred to this report. I simply refer to those sections of the report on page 29 dealing with the impact of section 86 on single residential premises in the city of Toronto. Again without belabouring it, the report points out that if section 86 is implemented at present the brunt of the burden will fall on low- and moderate-income home owners with properties of low to moderate assessment value. So it would be utterly irresponsible for the city of Toronto to implement

section 86 at present. It would mean that low- and moderate-income families living in houses with relatively low assessments would be driven out of the city. That would be the implication; that would be the impact of the implementation of section 86.

We on this side of the House are absolutely convinced that, for whatever reason, the government refuses to acknowledge this reality. It is determined, for what reasons we cannot fathom, to go ahead and try by whatever means to push, prod, lever, compel or impel the city of Toronto to adopt section 86 assessment.

We feel that the mess we have in front of us today is simply the latest in that ongoing chapter. Now, I sincerely hope we are wrong, because I know that my constituents in the southwestern end of the city of Toronto would be devastated if market value assessment were brought in. I do not live in a trendy part of Toronto; I do not live in a renovated-townhouse part of Toronto; I live in the west end, which has working class housing and a blue-collar community with low assessments. In fact, 90 to 95 per cent of my constituency is composed of that category of people and residences: single-family dwellings. They are the kind of people who would be wiped out if market value assessment were introduced with the present set of arrangements, the present kinds of tax credits that are available, etc.

The minister is proceeding with his section 86 impact study. That is fine. I do not have any doubt whatsoever of what the findings of that impact study will be. They will repeat the findings of the joint committee on property tax reform. They will establish once again that the brunt of the burden of section 86 in the city of Toronto will fall crushingly on low- and moderate-income home owners.

The third and final point I would like to make has to do with the remedy under this bill, which is access by each of the 4,992 victims of the minister's little fiasco to the assessment review court. This is referred to laughingly—the member for St. George (Ms. Fish) did not refer to it laughingly, but she should have laughed when she said it—as an independent tribunal, which, if I may paraphrase, would provide justice to each and every one of the 4,992 victims who availed themselves of that remedy.

5:30 p.m.

This sounds very nice. An appeal to the independent tribunal sounds like a nice remedy until one looks at the actual results of appeals before the assessment review court on a year by

year basis. The joint committee on property tax reform studied the outcome of appeals before the assessment review court and found that, in 1975 for example, of those residential property owners who took the remedy available through the assessment review court and appealed their assessment, the city won a gain of \$30.5 million in additional assessment for an additional tax revenue of \$4.25 million.

That is wonderful. This is a wonderful system for the benefit of the tax collector, but let us not fool ourselves as to the likely outcome of the remedy set forward in Bill 60. In fact, the assessments are likely either to be maintained or increased for any of the 4,992 victims who go that route.

If anybody is so foolish as to think that, as a result of a mass series of appeals to the assessment review courts, these assessments are going to be rolled back, they are flying in the face of the experience of the assessment review court. The experience is that the property owner loses and the city wins when it comes to appeals dealing with residential property.

When it comes to appeals dealing with commercial and industrial property, as the minister well knows, it is an entirely different story. Commercial and industrial appellants are the winners before the assessment review court and the city is the loser, the assessor is the loser.

Again, the annual result of review board appeals bears this out. If one is a commercial or industrial appellant one is going to win if one goes to the court. If one is a residential appellant then one will lose. We look forward to the outcome, but I do not think there is any doubt as to what the outcome will be. It is a question of how much money each of the 4,992 victims is going to lose as a result of the remedy under this bill.

It is obviously designed to cover the back-sides of a number of municipal Tories as they go into a municipal election year. It looks very good, sounds very good. It has a certain plausibility about it, but I say that it is one of the most useless remedies that this government could possibly come up with because of the experience with the assessment review court.

Those who may be following this debate and who are affected by Bill 60, should be under no illusions that they are going to get a genuine remedy. It really is an incredibly bad mess that this minister and this government have led us into.

I listened with interest to the member for Oriole (Mr. Williams) arguing against what he

referred to as tax holiday for those who had made renovations to their property.

I recall earlier in the debate, my colleague the member for Waterloo North (Mr. Epp) made what I thought was a very useful distinction between maintenance work on a property and renovation work on a property. I thought that was a very helpful and useful distinction that the member for Waterloo North made. When we are dealing with work on a residential property, the assessor should make a clear distinction between work which is maintenance, that is to say work which goes towards maintaining the value of the property and, on the other hand, renovation work which goes towards increasing the value of the property.

A sensible and sane assessment policy would be to encourage, by way of positive incentives, the citizens who do maintenance work on their property. It would make sure that if maintenance work were done the property owner would not be penalized or punished but, in fact, would have some kind of financial incentive to preserve the housing stock of this province.

It is legitimate that if the work is of a nature which increases the value of the property substantially, the assessment process take that work into account, assuming, of course, that there is some kind of fairness in the assessment process in the first place and it is not the kind of clandestine sham we have been subjected to in the city of Toronto.

At any rate, I would hope the minister would take up the suggestion made by my colleague the member for Etobicoke (Mr. Philip) and that made by the member for Waterloo North (Mr. Epp), that this kind of incentive be built into the provincial and municipal governments' assessment policies, and that we use this very sorry episode as an opportunity to stand back from the whole process, and reassess the assessment process itself and the whole process of municipal taxation.

In conclusion, my great fear is that this government is so bullheaded and stubborn, and determined to move towards market value assessment regardless of the consequences, that it is simply regrouping its forces, using Bill 60 to cover up its past failures of omission and commission. That once the dust has settled from this folly, we can expect another assault on the city of Toronto and other municipalities which have refused to knuckle under to its imperious will.

For those reasons, Mr. Speaker, I support the reasoned amendment put forward by the mem-

ber for Riverdale that the assessments simply be rolled back to their value prior to the reassessment and that we go forward on an entirely new basis once this matter has been cleared up.

Mr. Haggerty: Mr. Speaker, I was not going to enter in the debate but I have been listening to the comments of the party to my left. Perhaps some of them were suggesting that we in this particular party supported Bill 60 in order to allow those persons, through reassessment or revaluation of property, to have the right to a fair hearing and to give the property owners or tenants the right to appeal their assessments. I do not think, in a sense, anybody can say that that would not be speaking in the right terms for supporting the bill.

Perhaps one disapproves of the method that the minister has applied in bringing about some form of revaluation and reassessment in the city of Toronto. No doubt about it, it has been needed for a number of years. The member for Welland-Thorold (Mr. Swart) has spoken about the assessment that has taken place in a number of municipalities and they made some reflections in the Niagara region. As the critic of the Ministry of Revenue, our position in this party has been that we are forced to have some form of re-evaluation of property throughout the province to bring about some uniformity in assessment practices in Ontario.

I think everybody will have to agree there are a number of inequities that still remain in assessment procedures and practices carried out in Ontario. I have often supported the principle that the place to begin is with proper assessment procedures established by qualified assessors. I believe that we do have qualified assessors in Ontario, who should be given the opportunity to use some sort of manual as a guide in performing their duties and responsibilities in the re-evaluation of assessment on a uniform basis in the province. I do not think any member would disagree with that. But one should be rather critical of the ad-hoc procedure the minister is applying in the city of Toronto, whether it is under section 86 of the Assessment Act or by agreement with the Toronto city fathers. I think they realize that there are problems in assessment practices here.

5:40 p.m.

In the 15 years I have spent in Toronto I have noticed that a number of what we can call renovations to older homes in the city have caused them to become rental units rather than

private dwellings. In a number of cases this has increased the rental value of the property. On the basis of the exemption that was applied by the former Treasurer back in the early 1970s, a person could renovate his property or add to it and receive an exemption up to a sum of \$2,500 of the assessed value.

I think there were many abuses of that exemption at the time and this, in a sense, has brought about some of the inequities that remain with regard to the assessment of property in municipalities. I think these inequities should be corrected by whatever measure the minister chooses to apply, and I am in favour of some measure of guidance from this government on the subject.

However, the principle of market value assessment has not worked in New York state and I do not think it will work in Ontario. The state Legislature ran into difficulties trying to implement it and I think they have finally washed their hands of the whole matter and said, "Go back and try to come up with some form of assessment practice that will be acceptable in a regional municipality or a county structure."

Just recently I met with an assessor on an appeal by a property owner who thought his assessment was too high. After reviewing the situation the assessor considered that although it may be a new property, there might have been some information that had not been passed on to the assessor and that some corrections could be made without going to appeal.

This was a practice that was always used in the former county of Welland. The elected officials—the member for Welland-Thorold (Mr. Swart) was on that committee at one time—thought that this was a good, reasonable approach to take. Sometimes it is a political decision that has to be accepted by all parties involved in the re-evaluation of property.

I must tell the minister, I thought the former county of Welland, now the regional municipality of Niagara, was using market value assessment and I was a little amazed to learn that they were still using the little black book that was agreed upon by members of Welland county council with the county assessor years ago. They thought it was a good, reasonable approach to take to bring in some form of re-evaluation of property. If members of this House want fair assessment in the province, and to pick off the inequities in the system, they will have to come up with some reasonable form of re-evaluation.

I know a certain group of ratepayers in the town of Niagara-on-the-Lake who are still not

satisfied with section 86 of the Assessment Act. I am sure the minister has had quite a bit of dialogue with those particular people. Their chairman, Mr. Birch, has brought to my attention that there are still inequities in that municipality under section 86, and rightly so.

The description of a property was presented to me. A person with a 35-foot lot, who has a home that is smaller than that of somebody on a 75-foot lot, was assessed much higher than the latter. I would have to question whether section 86 of the Assessment Act, if applied in the right direction, is going to remove those inequities.

But on the question of reassessment under section 86, whichever way the minister wants to bring it in, through the back door, the front door or whatever, there are still inequities that remain within that municipality. That is the matter of the apportionment cost to the region and, I suppose, related to the metro form of government.

It is interesting to note that last July, I think it was, the minister set out the regulations applying to the section of the act which apply to the equalized assessment factor. I want to suggest to the minister, if he follows the principle that is outlined in the regulations, I have noted that all the Metro Toronto municipalities have an equalization factor of 11.3. By going through the list of about 10 pages that make reference to a number of municipalities, regions and county levels of government, one finds a variation from a 4.3 equalization factor to a high of 38 and 48. It varies on down the line.

The question is, why is it Metro Toronto has an equalization factor of 11.3? I understand there may be some benefits from the minister which apply in this factor to the larger Metropolitan Toronto area, but it does not remove the inequities in assessment practices within Metro Toronto or any region.

I suggest to the minister that if he cannot come to some agreement within his government or ministry, with the expert staff he has sitting behind the Speaker, then perhaps to settle the issue of market value assessment or evaluation he should appoint, as I would if I were minister, a committee of the Legislature to review it, let it come back with a political decision and then go to the municipalities to bring in revaluation of assessment. I know in my community, and I am sure it is so across Ontario, there are persons who are paying much more in taxes than their neighbours are paying.

One of the things brought to my attention in meeting the regional assessor was: "If you are

not happy with the assessment you can appeal to the courts, but you have to bring forward the information as to what the neighbour's property is assessed at. You have to dig up that information." If the government is going to have an appeal court for assessment purposes, I think all the information should be available to a person in an appeal. The books should be open. The public should know what factors the assessor is using. How does he arrive at a figure of assessment? What are the rental values if they are applied?

At one time there was always a section under the Assessment Act that would apply to depreciation. I think there is no such thing now that is applied to the revaluation of assessment under section 86. I do not think depreciation assessment is used, particularly in the Niagara-on-the-Lake situation where the older homes have been assessed much higher than some of the buildings which have just been built. I suggest to the minister that some place along the line he has to take into consideration that depreciation was always a factor in arriving at a reasonable and fair assessment within a municipality.

I suggest that one way the minister can get out of this and get the heat off himself is to appoint a committee of the Legislature and let it make the political decision as to which way his assessment practices should go. I agree with him that something has to be done to bring about equalized and fair value assessment across Ontario, across a broad spectrum, but there must be a manual for certain regions and counties. Market value assessment cannot be based upon factors, where properties have been sold at fair market value to willing buyers in the city of Toronto, that will also apply to the city of St. Catharines, the town of Fort Erie or even to Brampton. I think they will have to set up certain regions to bring about fair assessment practices in the province.

5:50 p.m.

As my colleague has suggested, we do support the bill in principle. It does give the persons who have been reassessed an opportunity to appeal their assessment before a court. The court will make the decision of whether the value is within the general practice of reassessment throughout the whole municipality.

The first place the minister made a mistake was by not having a number of assessors come through Toronto to do a proper assessment. I give the minister credit now. I understand he has a number of assessors doing blanket coverage. My colleagues to the left may not agree

with that principle, but I think the only way one can bring about good assessment practices is to bring the assessors in throughout the municipality so that all appeals come about at one time and one can then judge by the number of appeals whether the assessors are carrying out the principles of good, sound assessment practices. We support the bill in principle.

The Deputy Speaker: The member for Downsview.

Mr. Di Santo: For where?

The Deputy Speaker: Yes, I was right. The member for Downsview.

Mr. Wildman: You had better speak up when you say Downsview.

Mr. Roy: That's you, Odoardo.

Mr. Di Santo: Even my friend Albert recognizes me.

Mr. Roy: A good choice. I applaud the Speaker's decision to recognize you.

Mr. Di Santo: Mr. Speaker, I would like to speak against Bill 60, An Act to provide for the Institution of Complaints for Certain Assessments made in the year 1981 in the City of Toronto.

From the description of the bill itself, we realize that in the minister's mind, this is a remedy to a situation that was obviously wrong, because if what the minister had done in 1981 was right there would be no need for Bill 60. We all remember what happened in 1981 when an army of assessors invaded ridings that were held by people who did not belong to the governing party of the province and furiously reassessed property that had not been assessed properly for decades. Then when there was a public furore, what did the minister do? He said: "Okay, I will give you the possibility of recourse. You can appeal the decision of the assessors."

Many of the speakers who preceded me said that routine would not change anything because all of us know if one appeals an assessment, extremely rarely is it successful. In fact, every year dozens of constituents come to me who cannot afford to pay taxes which are unfair by their very nature. They cannot afford their property taxes because they are senior citizens, injured workers, or citizens on Canada pension disability and therefore do not have the ability to pay taxes. They appeal the assessment. I have never seen one single case that has been changed at the appeal level.

With Bill 60, the minister knows very well that the majority of the people who have been

assessed and whose taxes have jumped two or three times will not see their taxes rolled back. Therefore, this is an exercise in the best Tory tradition to calm down the furore of the people who are suffering because of this irrational attack from the government, but it will not change the situation.

What the government should do and has not done and will not do is reform the whole property tax system. The government should have come to this House and proposed a change to the property tax system, which is unfair by admission of the government, and by admission of the several commissions and royal commissions and inquiries and investigations that have taken place in this province since 1966.

As a matter of fact, when I came to Canada, I was greeted by a commission that was studying property tax reform. That commission was chaired by a Mr. Smith. That commission made recommendations that seemed sensible even to a person totally unbiased as I was, because I came from a country where property taxes have very little impact on the citizens. Most of the taxes are paid on the basis of the ability of the citizens to pay taxes, which means their incomes or revenues. As a matter of fact, there is a very large group of citizens who are exempted from paying property taxes, either because of their incomes or because of their location. For instance, the minister might be interested to know that all the small towns in the mountains above a certain altitude do not pay property taxes because they are disadvantaged.

Senior citizens are not assessed at all as far as property taxes are concerned. As a matter of fact, my parents do not pay property taxes because they are retired. It is common sense that, since they do not have any substantial income, they do not pay property taxes. Apart from that, we know, and the minister knows, even though he refuses adamantly to recognize the fact, that a part of the property taxes we pay in Ontario is directed to support services that have nothing to do with the fact that a person owns property.

A large portion of the taxes in the municipality of North York goes for education costs that are totally unrelated to property. Despite that, we have a situation where citizens who have no income and, in most of the cases, senior citizens who have nobody in the school system, are forced to pay property taxes. I wonder whether one day the minister, instead of making arrogant and definite statements, will come up with a rational explanation and tell us why it is that in

1982 the people who fall under Bill 60, and all the other citizens of Ontario, must pay education taxes from the property. I have never understood that, and I never will.

I have never had any logical explanation from the government, not from this minister, not from the Treasurer, and we know why, Mr. Speaker. We know that property taxes are the easiest way for this government to dump on the municipalities a burden that otherwise would enrage the citizens. We saw that two weeks ago on May 13 when the Treasurer brought down the budget, a masterpiece of Tory policies. He imposed sales tax on building materials that are used by municipalities, boards of education, hospitals and other public institutions. We know

very well that next year that imposition of a sales tax on building materials will be reflected in the bill we will get when we pay property taxes.

Mr. Speaker, I know it is six o'clock and I am going to adjourn the debate, but before adjourning the debate I want to repeat what I said at the beginning. This bill is originated by an error that the minister made in 1981 and it will not redress that situation. I adjourn the debate at this point, Mr. Speaker.

The Deputy Speaker: I do not believe the member meant to adjourn the debate. He just meant to sit down.

The House recessed at 6:01 p.m.

CONTENTS

Tuesday, May 25, 1982

Statements by the ministry

Drea, Hon. F., Minister of Community and Social Services:	
Co-ordination of children's services.	1976
Grossman, Hon. L. S., Minister of Health:	
Deaths at Hospital for Sick Children.	1978
McMurtry, Hon. R. R., Attorney General:	
Deaths at Hospital for Sick Children.	1978
Pope, Hon. A. W., Minister of Natural Resources:	
Miners' safety training program.	1975
Strategic land use plans.	1976
Walker, Hon. G. W., Minister of Industry and Trade:	
Technology centres.	1977

Oral questions

Ashe, Hon. G. L., Minister of Revenue:	
Tax burden, Mr. Cunningham.	1988
Compensation for UFFI home owners, Mr. Epp, Mr. R. F. Johnston.	1990
Grossman, Hon. L. S., Minister of Health:	
Deaths at Hospital for Sick Children, Mr. Foulds, Mr. Nixon, Mr. Renwick.	1984
OHIP premiums, Mr. Foulds, Ms. Coppins, Mr. McClellan.	1986
McMurtry, Hon. R. R., Attorney General:	
Deaths at Hospital for Sick Children, Mr. Peterson, Mr. Foulds, Mr. Breithaupt, Mr. O'Neil.	1980
Ramsay, Hon. R. H., Minister of Labour:	
Employee health and safety, Mr. Martel, Mr. Wrye.	1989
Taylor, Hon. G. W., Solicitor General:	
Deaths at Hospital for Sick Children, Mr. Breithaupt.	1982

Report

Standing committee on procedural affairs Mr. Kerr, deferred.	1992
---	------

First readings

Technology Centres Act, Bill 124, Mr. Walker, agreed to.	1994
Liquor Control Amendment Act, Bill 126, Mr. Samis, agreed to.	1994

Second reading

City of Toronto 1981 Assessments Complaints Act, Bill 60, Mr. Ashe, Ms. Bryden, Mr. Williams, Mr. Swart, Mr. McClellan, Mr. Haggerty, Mr. Di Santo, adjourned.	1995
---	------

Other business

Correction of minister's name, Mr. Wiseman	1975
Visitors, Mr. Eakins, Mr. Speaker	1975
Legislative pages, Mr. Speaker	1975
Government advertising, Mr. R. F. Johnston, Mr. Drea	1990
Government advertising, Mr. Martel, Mr. Drea, Mr. Williams, Mr. R. F. Johnston, Ms. Copps	1992
Response to written questions, Mr. T. P. Reid, Mr. Wildman	1994
Notice of dissatisfaction, Mr. Speaker	1994
Recess	2011

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L., Minister of Revenue (Durham West PC)
 Bradley, J. J. (St. Catharines L)
 Breithaupt, J. R. (Kitchener L)
 Bryden, M. H. (Beaches-Woodbine NDP)
 Charlton, B. A. (Hamilton Mountain NDP)
 Cooke, D. S. (Windsor-Riverside NDP)
 Copps, S. M. (Hamilton Centre L)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Cunningham, E. G. (Wentworth North L)
 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
 Di Santo, O. (Downsview NDP)
 Drea, Hon. F., Minister of Community and Social Services (Scarborough Centre PC)
 Eakins, J. F. (Victoria-Haliburton L)
 Epp, H. A. (Waterloo North L)
 Foulds, J. F. (Port Arthur NDP)
 Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
 Haggerty, R. (Erie L)
 Johnston, R. F. (Scarborough West NDP)
 Laughren, F. (Nickel Belt NDP)
 Mackenzie, R. W. (Hamilton East NDP)
 Martel, E. W. (Sudbury East NDP)
 McClellan, R. A. (Bellwoods NDP)
 McMurtry, Hon. R. R., Attorney General (Eglinton PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 O'Neil, H. P. (Quinte L)
 Peterson, D. R. (London Centre L)
 Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
 Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
 Reid, T. P. (Rainy River L-Lab.)
 Renwick, J. A. (Riverdale NDP)
 Roy, A. J. (Ottawa East L)
 Samis, G. R. (Cornwall NDP)
 Stokes, J. E. (Lake Nipigon NDP)
 Swart, M. L. (Welland-Thorold NDP)
 Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)
 Turner, Hon. J. M., Speaker (Peterborough PC)
 Walker, Hon. G. W., Minister of Industry and Trade (London South PC)
 Wildman, B. (Algoma NDP)
 Williams, J. R. (Oriole PC)
 Wiseman, Hon. D. J., Minister of Government Services (Lanark PC)
 Wrye, W. M. (Windsor-Sandwich L)

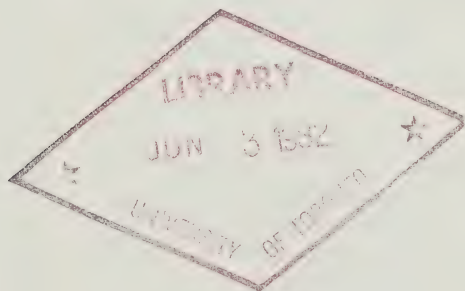




No. 57

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Tuesday, May 25, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, May 25, 1982

The House resumed at 8 p.m.

CITY OF TORONTO 1981 ASSESSMENTS COMPLAINTS ACT (concluded)

Resuming the adjourned debate on the amendment to the motion for second reading of Bill 60, An Act to provide for the Institution of Complaints for Certain Assessments made in the Year 1981 in the City of Toronto.

Mr. Nixon: Mr. Speaker, while the members of the New Democratic Party are beating a hasty retreat out the door, I thought my good friend and colleague the member for Downsview (Mr. Di Santo) had the floor, but perhaps he is not available at the moment.

I am glad to have an opportunity to speak briefly about the bill. I have had other responsibilities that have kept me from attending the sessions during most of the debate, but I know my colleagues have put forward some constructive concepts and ideas. However, they may not have discussed the bill on quite the basis I have in mind. To be frank, I guess I am speaking as an individual in this context and not particularly on behalf of my party.

I look at the bill and see the pages and pages of all these great, significant municipal numbers at the back. They always throw me for a loop when I look at my assessment and the tax bills back home. I wonder what genius ever programmed the computer to put four zeros at the end of every blooming thing. The whole bill is just another tombstone in the cemetery of assessment chaos the minister and his colleagues have been responsible for in the last decade and more.

I always spoke rather highly of former Treasurer Darcy McKeough when I spoke about his work in this House both as a private member and as Treasurer, but if there is one thing he really made a mess of it was the assessment policy of the government. He decided that the local municipalities, regions and counties were not up to the responsibility of assessing the properties and that this should be centralized under some minister in Toronto. That was, in my view, one of the worst decisions taken by this government in the last decade; and there has been quite a list of bad decisions.

One of the things that brought this most strenuously to my attention was the mayor of Toronto coming with a group of his councillors to Queen's Park, hoping against hope to be able to speak to the Minister of Revenue himself, the Honourable George Ashe, who was sitting behind a bunch of potted palms in a luxurious office somewhere around one of these buildings, I do not know where, being a busy man. Of course, he found a few minutes for Mayor Eggleton.

It seems preposterous that some worthy gentleman from Whitby or somewhere should come here as Minister of Revenue and tell the people of Toronto how they should assess their properties and how they should evaluate the basis of an entirely municipal tax. No doubt when it comes to assessment procedures in Whitby or South Dumfries or anywhere else, the minister would know as much about it as most other people. But for our statutes to establish the font of all wisdom on assessment here at Queen's Park seems to me to be completely unacceptable.

After all, we realize that assessment, as far as we are concerned, is used only for the establishment of certain specialized equalization grants, probably designed to save the minister and his colleagues a little extra work, or even to save them from using a little special personal judgement on how equalization grants and allocations should be established. Instead, they have removed this responsibility entirely from the municipalities.

My own feeling—I cannot persuade many of my colleagues to support me on this, although I have put it forward many times—is that it surely would be a wise move if the minister, unlike all of his predecessors who tried to come to grips with this, would simply say, "The best thing is to give it back to the municipalities."

I come from a small municipality with a population of about 7,000. I am not at all sure it even wants the responsibility of local assessment. But the county of Brant, through an assessment commissioner, used to do a very good job of assessing locally. A commissioner basis could be used either in Metropolitan Toronto or in the various cities making up the Metro area. In that way if some of the citizens felt their assessments were incorrect, or if they objected to assessors

driving by in a government car and assessing at 30 miles an hour, which is probably—

Interjection

Mr. Nixon: Pardon me, the minister is correcting me. I think he said “60 kilometres.”

All they would have to do is go down to city hall, where the directly elected members of council and others are close by, and demand the kind of adjustments that democracy should be able to fulfill.

How can they approach the Honourable George Ashe, an enigmatic presence from Whitby, who comes in with his limousine and driver, and crawls in behind the potted palms in his luxurious office? How can they possibly deal with that in any kind of democratic way?

Mayor Eggleton goes through the motions; he comes up and pounds the table a little bit and goes home and asks: “What can I do? There is nothing I can do. This is out of my hands.” I really feel that a situation of this sort, involving this special legislation, would be entirely redundant if the responsibility for assessment were returned to the municipalities.

I feel very strongly that if the minister ever thinks he is going to be Treasurer before this government finally fades out just from boredom and lack of initiative, if in the few months remaining he thinks he is going to be Treasurer, he is going to have to take some stands that are going to be seen by his government colleagues to be useful and not just time-serving.

I have said to him personally, as I have said to two or three of his predecessors in this strange ministry, which is always filled either by somebody upwardly mobile or downwardly mobile—I do not know what he is; I know what I am—that if he really wants to get to be Treasurer, he should do something useful about assessment. It is one of the worst problems we face across the province, and it is the Minister of Revenue’s problem. Why does he not solve it? Why does he not recommend to his colleagues that they might as well recognize they made a disastrous mistake 10 or 11 years ago, or even longer, and return it to the municipalities, except for certain areas in the north?

8:10 p.m.

Interjections.

Mr. MacDonald: Watch those back-benchers, George.

Mr. Nixon: Listen, René has got his eye on your job.

Mr. Piché: Did you say “except for the north”?

Mr. Nixon: Maybe for you, René, Kapuskasing can look after their own assessment when we take over.

I would certainly say that the minister has not only the opportunity but also the great responsibility to deal with this problem once and for all. He should recognize that it has no place here at the provincial level, except to provide the kind of supervision that could give the only sort of uniformity that is possible. That is, without imposing market value assessment, which was the original concept some years ago, he should simply have the municipalities re-establish their assessment responsibility. It would mean the hundreds of thousands or millions of dollars presently spent on assessment would be transferred back to the municipalities along with that responsibility, and it would be in an area where it could be adjusted to satisfy the local property owners.

This is the only legitimate solution. This minister and his successors can fiddle around with the present situation for a long time and never accomplish the kind of equity we are seeking. The old watchword back in Darcy McKeough’s day and even afterwards was that market value assessment was going to provide equality and justice for all land owners across the province. Even the minister does not support that ridiculous concept now. It was politically unacceptable during all the years of minority government and now, of course, it is practically unacceptable, as it was then. The variations in the market values are such that an assessment based on market value would, I believe, be almost impossible to keep up with. It would be almost as meaningless as some of the assessments we have now.

Frankly, I am quite proud that a reassessment under section 86 in one of the townships in my constituency, Burford township, more or less led the way. The situation there, of course, is still far from perfect because that sort of reassessment does not permit any change in values or among the classes of assessment.

But the minister could become a hero to his colleagues in the cabinet, to his supporters in the Progressive Conservative Party and to the ratepayers across this province if he were to admit that a terrible mistake was made a decade ago and that he is just the man to set it straight, and he could do this by removing himself from a responsibility that should never have been his in the first place and that he should get out of at the first opportunity.

Mr. Mancini: Mr. Speaker, I would like to make a couple of short comments on Bill 60. I guess it pertains basically to the city of Toronto. Some time ago, I believe it was during the estimates of the Ministry of Revenue, I brought several serious complaints concerning the assessment procedures in my riding to the attention of the House and to the attention of the minister, and we have had no response from the minister concerning those complaints. They had to do specifically with the Canard Valley golf course, situated in the township of Anderdon, which is paying probably \$20,000 more in assessment—

Hon. Mr. Ashe: This has nothing to do with the bill.

Mr. Mancini: That is the minister's problem. He really does not care about how assessment affects real people out there.

Hon. Mr. Ashe: There are proper times to talk about proper things; this is not one of them.

Mr. Mancini: He does not really care about what his procedures are doing to real people, and that is his problem. These complaints have been brought to his attention and he keeps shuffling them off. He does not want to do anything about it. I am going to take every opportunity I can to remind the minister, who cannot even deliver cheques properly, that there are problems out there he is not addressing.

The Acting Speaker (Mr. Cousens): I would only ask the honourable member to tie his remarks in to Bill 60 as it affects the city of Toronto and the institution of complaints.

Mr. Mancini: That basically was my point, Mr. Speaker. We have problems concerning assessment all across the province, and I wonder why we are not moving on a province-wide scale to tackle these problems. Why is the legislation of certain privileges going to be for only the city of Toronto? Why can it not be for my constituents, who are taxpayers, or for people who live outside this great city? No one is denying the fact that this is needed for Toronto. But the House has to be made aware that the province does not start and end at Toronto's city limits. We have severe problems concerning assessment in the Essex county area. We certainly do not like the way the minister has handled the problem of the golf courses that I mentioned some time ago. He ignored it then and he is trying to object to it now. Why does he not just spend his time trying to solve the problem?

Hon. Mr. Ashe: Mr. Speaker, in listening to the 12 people who have addressed Bill 60, I have made quite a number of pages of notes. I must say a lot of them are duplicates of each other, but I will try to speak to at least the general pattern of comments and concerns that were raised by the honourable members last Tuesday, again this afternoon and, briefly, this evening.

The member for Waterloo North (Mr. Epp) started the debate Tuesday last discussing the bill in question. Unfortunately, he is not here this evening, at least so far. He referred to the fact that we did not really listen to the city of Toronto on this bill. Obviously Bill 60 is contrary to that. We did not agree to some of the suggestions made by the city of Toronto, including the particular amendment put forth on the agenda by the third party. We do not agree to that either, because that was another alternative that, in all fairness, I do not think was acceptable.

Mr. Swart: Meaningful is the word.

Hon. Mr. Ashe: Of course, it is easy for someone sitting over there to think of equity. Equity in a very narrow sense is very easy, but in its broader sense, when talking about the equity of hundreds of thousands of people, or better than two million people, then that narrowness seems to be out of perspective. That is exactly what the reasoned amendment on the Order Paper would do, not only for the citizens of Toronto but for the citizens of Metropolitan Toronto. It is obviously something not thought through by the members of the third party, who put it on the Order Paper and have spoken in support of that reasoned amendment.

Many comments have been made about there being very little internal inspection and that kind of thing. The Metro chairman is quoted as saying it is a "total and absolute mess." I will even endorse and subscribe to the comments made by the chairman of Metro Toronto that there are some problems in the Metro area, and particularly in the city of Toronto, in carrying forward a system that has been in effect, and was out of whack when we took it over some 12 years ago. But the process we underwent in 1981, not only in the city of Toronto, not only in Metro Toronto, but right across Ontario, was really one relatively small step to help put further equity into the assessment system—a system and a process that was undertaken last year.

8:20 p.m.

I have to stress that on continuing and numerous occasions municipalities individually and collectively approached the government, Ministry of Revenue and Minister of Revenue to suggest to us that we should be doing the job as we are supposed to do under the Assessment Act and add to the tax rolls those properties that have had changes in their value because of additions, renovations and other items that have put them out of whack with the properties in and around their immediate areas. This is exactly what we addressed in a very conscious and planned effort in 1981.

It was not done, as many members have said, on a hit and miss basis, an irrational basis or an unfair basis within Toronto and more particularly within certain wards of Toronto. If anyone were to examine the facts they would see that the facts do not support this allegation. The facts do not support the position that is espoused by some in that regard, not at all.

Last year, we reassessed and added additional assessment to the roll on approximately 135,500 properties across Ontario, of which fewer than 7,000 were in the city of Toronto. If one compares the ratios in Toronto, the number of properties versus those which have had additional assessment, with numerous other municipalities within the province, one would see that many others would have reason to complain as to the inequity, the driving down the street, the windshield assessments that have been referred to. Of course, this is not the case at all.

For example, the honourable member opposite from somewhere in the area of the city of Windsor talks about equity. It just so happens that in the city of Windsor there were approximately 5,000 reassessments on a much smaller total property base than in the city of Toronto. I might say that the city of Windsor did not feel we had gone far enough in that regard. In fact, they are taking steps to appeal beyond the approximately 5,000 that were part of this process last year.

Some members were referring to the fact that we have picked on them. They say we have picked on their ridings. They say we have picked on their wards, as some alderman are saying. Let me suggest that in two of my own municipalities within the great riding of Durham West, which encompasses three municipalities, one of those underwent a section 86 reassessment in 1981. In each of the other two municipalities there were approximately 1,000 reassessments to do with the program last year. As a percentage, this was considerably greater

than those done within any municipality within Metropolitan Toronto, including the city of Toronto.

It was suggested that it has been done in only one or two wards within the city of Toronto. Let me point out that all 11 wards in the city of Toronto underwent some additional reassessments last year. It is very true that some of them had many more than others, but obviously many of the speakers who have been talking on this bill have no recognition or no understanding at all of the makeup of the city of Toronto. They do not know the geography of the city of Toronto. They do not know the geography and makeup of the wards that make up the city of Toronto.

They use the blanket statement "hit and miss," but they have not driven up and down the streets to see why it is obvious that certain sectors of the city, certain wards in the city have had more reassessments than others. It is because that is where the changes have taken place. That is where the massive renovations have happened. That is where the conversions have happened; and there are block upon block of them. Yes, there are more, particularly in wards five, seven and eight, than any of the other wards. There are, again, those who suggest that this was only because we were aiming at those areas. This was suggested by the member from Whitby, and it was also suggested that we are not familiar with the city of Toronto; by the way, I live in Pickering, albeit I also represent Whitby along with the great municipality of Ajax and Pickering, and I would suggest that people from that area, as well as the assessors within the city of Toronto, are much more aware of it than a certain member for Brant-Oxford-Norfolk might be.

Mr. Nixon: This is a personal attack.

Hon. Mr. Ashe: I would suggest the job they did was probably a little more competent and less irrational than would have been done by many others.

Mr. Nixon: You just can't bring yourself to give up any of that power you have.

Hon. Mr. Ashe: In the opening remarks of the member for Waterloo North there was a reference to the bill he filed some time ago, vis-à-vis the appeal procedure, relating to fact versus law based on a lot of the municipal position and so on. That is exactly it. The bill he came forward with was practically written by the Association of Municipalities of Ontario. As I indicated earlier today in question period, the govern-

ment has been looking very closely at this process and this procedure and will be introducing legislation to enact that in the very near future.

The same honourable member made a rather snide comment on the fact that we do not even know the number of offices that are within the assessment system because we missed office number eight. I think that was the reference. He said we could not even count through from one to 31. Let me just point out that the office in question has been, for 10 years, a suboffice to one of our other offices.

All the way through the various deliberations there were constant suggestions about confusion. It may have been quite intentional; or perhaps there was in fact some misunderstanding, some fact of really not knowing what was going on. At any rate, there was reference to confusion about the reassessment study that is going on now, the impact study under the section 86 program in Metropolitan Toronto, trying to muddy the waters on the situation within Toronto, not only last year vis-à-vis this program, but this year.

I can assure the members, as I have said on many occasions in the past, the one program does not relate at all to the other. The procedure last year where we picked up the renovations and changes to the value of property was, again I have to stress, right across Ontario. It had nothing to do with bringing in, as others have used the quote, "the army of assessors from outside." It had nothing to do with the \$2.6-million expenditure we are currently going through because this government and this ministry react to the requests of municipalities. When they ask for an impact study we do not say we will not give it to them because it is Toronto, or Metropolitan Toronto. We suggest and feel it is only fair that whichever municipality it may be, we offer the services as we would to any municipality within Ontario, and Metropolitan Toronto is no different in that regard.

There has been constant reference that the introduction of Bill 60 is a defeat, not only for the ministry and the government but also for me personally. I would like to turn that around and say it is just the opposite.

There has been a lot of criticism about the inaccuracies of the assessment, about people not getting in, and then, in another breath, questions as to why we should not let them in again and the concern that the reason they made the mistakes the first time was because they did not get into the property and have a

visual internal inspection. In the very next breath they are saying they should not come back again, they should not reinspect the property. It is exactly that which the procedure allows, again right across Ontario.

On an appeal, the assessor goes back to the property in question and looks at it again. Believe it or not, we do not necessarily think we are infallible. The assessors in this ministry, and the people within the ministry, and even the minister, acknowledge that we make an error from time to time.

It is one thing when the process acknowledges that one may have made a mistake and wants to have the opportunity to explore that, to correct the mistake if one is made, to talk to the other side, in this case the home owner, to show why something was done, and maybe come to a meeting of the minds even though it is still to disagree at the end. That is fine. That is what the process is there for.

But even to suggest that the assessor should not be allowed back into the house either because he was there in the first place or, as the other argument has it, because he was not there in the first place—which are obviously complete opposites, but we did hear both arguments—is to me beyond reason and beyond the capacity to understand the inconsistencies.

8:30 p.m.

Unless somebody has something to hide, he should have no fear in allowing an assessor access to his property. Everybody would agree, if he thinks with an objective and an open mind, that when the assessor goes to a door and does not gain access, when he goes back to that door, does not gain access and leaves a notice but is not contacted, and when there is another contact and the people find every reason why access should not take place, it is only human nature to suspect the person behind that door has something to hide.

There is no doubt at all that is when there is the greatest opportunity for a mistake—a mistake not caused by the assessor. He was quite willing and quite capable of doing the job he was hired to do, but he is not being allowed to do it. I suggest in some cases there is no doubt the home owner is maybe not getting the benefit of the doubt, but if each and every member would put himself in that same position I think the conclusion he would reach probably would be about the same.

Coming to the last couple of points, there was some mention by the member for Beaches-Woodbine (Ms. Bryden) that there had been

some reference made by me that this was a property tax reform bill. Obviously, I have never suggested that. There is no way this is a property tax reform bill. All it is is a bill that recognizes it could well have been that, because of the cosmopolitan nature of downtown Toronto and the holiday season from early December through January 12 past, a significant number of ratepayers, a significant number of home owners, for whatever reason, did not know the assessment had changed on their property and therefore did not take their legal and legitimate right to file an objection to present their cases to the assessment review court vis-à-vis the valuation placed on that property.

The reason we have come forward with this bill is not backing down on the basis that we think we are substantially wrong. On the contrary. Again I have to bring up what was brought forth by many suggesting that the assessment review court is just a charade, that we are just playing a sham in having assessments before the assessment review court. I find it incredible that speakers could make that pronouncement on a system that is set up as an unbiased, third-party organization to look at the facts. How can anybody be afraid of that system?

The assessor has to go forward and present and establish his case. What fairer process can one have? The tribunal sits there, hears the evidence of the assessor and asks, "Mr. Assessor, why did you put a \$4,285 assessment on this property?" He has to make his case.

Interjection

Hon. Mr. Ashe: He presents his evidence as to valuation—obviously many of the members have never been there—based on his establishing the evaluation. Then the home owner can pull it apart if he can.

Mr. Mancini: It's a farce, and you know it.

Interjection

Hon. Mr. Ashe: The member for Riverdale (Mr. Renwick) is wrong. He obviously has not been there. That is the process.

Interjections.

The Acting Speaker (Mr. Cousens): Order. The Minister of Revenue has the floor.

Hon. Mr. Ashe: Mr. Speaker, maybe that was an inappropriate choice of words. Maybe the honourable member was in error as to how the process works. Is that better?

Mr. Renwick: Yes. Right.

Hon. Mr. Ashe: Okay. The member for Welland-Thorold (Mr. Swart) gave me a couple

of specific points. He referred to the assessment review court and said that most will not win. I agree; most probably will not win and, in my view, most probably should not win.

Mr. Swart: Ninety-five per cent.

Hon. Mr. Ashe: Well, it proves the assessor did his job in 95 per cent of the cases.

Mr. Swart: It proves the bill is a farce.

Hon. Mr. Ashe: No. It proves the assessor did his job in 95 per cent of the cases. But, as I have already acknowledged, he is not perfect. So he made five per cent mistakes; that is not bad. I would be satisfied if any of my children graduated with 95 per cent—very much so.

The member also asked what is going to be the stance of the assessor at the court and whether I will give any direction to the assessor. Yes, I will give the same direction to my assessor as they have all the time from within the Ministry of Revenue: that they do their job in a professional and fair way. And that is exactly what they will continue to do, as they have done in the past.

Mr. Swart: On a point of order, Mr. Speaker: I would just like to point out that in the case of the urea formaldehyde foam insulation reassessment, the assessors were instructed to take a neutral stance.

The Acting Speaker: Thank you. Minister of Revenue, please continue.

Hon. Mr. Ashe: Of course, we are not talking about UFFI, and that is exactly right.

Mr. Swart: You are talking about assessment. Take a fair position—

The Acting Speaker: Order.

Hon. Mr. Ashe: That's right. We always take the fair position. We assisted the UFFI home owners as to exactly what they had to do; we did not oppose them in any way.

Mr. Swart: But even though they knew the assessment should be reduced they took a neutral stance.

Hon. Mr. Ashe: We assisted them, and that is our function on an issue such as UFFI. In any event, I will not get off on that tangent, as many speakers have been wont to do.

Two amendments have been proposed by the member for Waterloo North (Mr. Epp) on behalf of the Liberal Party, which, in effect, suggests by these two amendments to sections 1(1) and 3 of the bill that those people who do not wish to proceed with their appeals should be allowed to withdraw them.

Let me just point out once again, as I think I

did in my opening comments on second reading, that these amendments are not required. I think I made it clear, and I want to make it abundantly clear if I did not before, that the whole procedure established by Bill 60 deems those home owners in Metropolitan Toronto who did not appeal in the normal fashion on or before January 12 in effect to have appealed in the same way as if they had filed their appeals on or before January 12, 1982, and all of their rights, privileges and protections would be exactly the same as those who filed within the appropriate time. This includes the right to withdraw their appeals at any time in the process as well as the right to carry their objections and appeals to a higher court of justice if they still feel unfairly treated after their hearing before the assessment review court.

I would suggest that, although I have no problem with the spirit of the actual amendments because they do exactly what we are doing anyway, they are unnecessary because that protection is already there.

With regard to the reasoned amendment that is on the Order Paper in the name of the member for Riverdale from the New Democratic Party, needless to say, we oppose it. As we understand it, it is completely contrary to the bill. Of course, we support the bill and not the reasoned amendment that is on the Order Paper because once again, although it may be perceived by some to be giving some equity back to those 5,000 or so people in the city of Toronto, it would put an unbearable, unrealistic and unfair burden upon the rest of the ratepayers in the city of Toronto and in the total municipality of Metropolitan Toronto. It would be a precedent in nature that has never happened before. I can imagine the reason it did not happen before is the unfairness that is embodied therein.

The Acting Speaker: Pursuant to standing order 54(a), shall Bill 60 be now read the second time?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Third reading also agreed to on motion.

BUDGET DEBATE

(continued)

Resuming the adjourned debate on the amendment to the amendment to the motion that this House approves in general the budgetary policy of the government.

The Acting Speaker (Mr. Cousens): Who adjourned the debate?

Hon. Mr. Gregory: On a point of order, Mr. Speaker: I believe it was the member for Algoma (Mr. Wildman). Is he available? I wonder if, with the agreement of the House, we could wait for a few moments until the member gets here.

The Acting Speaker: Is there agreement?

Agreed to.

Mr. Wildman: Mr. Speaker, when I was addressing the budget on Friday last, I had established that it really makes no difference whether budgetary policy is determined by Liberals or by Tories since both of them are wedded to the concept of high interest rates and their disastrous effects on the economy of Canada and of this province.

I said that the New Democratic Party had proposed, prior to the budget of the Treasurer (Mr. F. S. Miller), a number of measures that we felt should be taken to respond to the serious problems we have in the economy of this province. We did not really expect that the Treasurer would respond to those proposals in an affirmative and positive way by taking action. But we hoped the Treasurer would deal with the proposals in a serious way in his budget presentation, indicating he had at least considered taking action in the areas we had pointed to as needing a budgetary response. Instead, we found little in the budget presentation which dealt with the serious problems this economy faces.

I mentioned on Friday that the most serious difficulty we face with this economy is the high interest rate policy followed by Conservatives and Liberals at the federal level. Although at the provincial level those two parties have indicated they do not support that policy, neither one has proposed any positive measure to change it or to alleviate the difficulties resulting from it at the provincial level.

One of the major problems we are experiencing in this economy as a result of that interest rate policy is the downturn in housing starts in the real estate market and the difficulty faced by people who already own homes, who have to renegotiate mortgages and who find their payments are doubling.

At the same time, because of the general economic collapse we have experienced in the manufacturing sector, its spinoff into the resource sector and the serious unemployment that has produced, they find they cannot obtain extra

jobs. They find they now have high mortgage payments they cannot meet if only one member of the married couple is working and the spouse is unable to find a job because it is just not available or, in even worse circumstances, the main breadwinner in the family has been laid off as a result of a lack of sales, particularly in manufactured products if that individual is involved in the manufacturing sector.

We expected and hoped this government would provide short-term measures that would alleviate the problems such people face.

We had hoped the government would seriously consider a mortgage foreclosure moratorium on a short-term basis. A Conservative government in the 1930s did impose a mortgage foreclosure moratorium; so it is not as if it were somehow philosophically opposed to that kind of intervention. It was done by a Tory government in this province in a very serious economic situation in the early 1930s. It can be done again.

However, when we heard the budget presentation by the Treasurer, we found there was no mention of this kind of short-term measure which would assist people who are in dire straits as a result of the high interest rate policy. The government just did not take any action. We have the old story of the provincial government arguing that interest rate policy is a federal jurisdiction and, therefore, it is up to the federal government to respond. It does not take any action on its own.

8:50 p.m.

It is unfortunate that the government did not at least listen to what some other Tory governments are doing in this country at the provincial level to deal with these difficulties. There was no attempt in the Treasurer's presentation to suggest any other kind of relief for people facing difficulties with mortgage payments. There was no subsidy program mentioned, such as has been introduced in Nova Scotia and proposed in other jurisdictions, by Manitoba and by the new government-elect in Saskatchewan. Of those three examples, two are Conservative governments.

The Deputy Speaker: Order. It has been indicated to me by the speaker that he is having trouble concentrating. In order to hear his learned words, we would appreciate it if all members of the House could be a little quieter.

Mr. Wildman: Thank you, Mr. Speaker, I appreciate that. I will not mention that the minister, with his back to me, is turning his back on Ontario. I would never suggest that to be the

case. As a matter of fact, I appreciate that there are four ministers of the crown in the House tonight to listen to this debate. That is very encouraging, and I hope the chief government whip (Mr. Gregory) is able to keep the interest of the cabinet ministers in this important budget debate.

I hope the ministers present will be able to prevail upon the Treasurer, when and if he gets back to this country, to suggest that we cannot continue to go along with the attitude that it is up to the federal government to resolve the problems. I believe it is the federal government's responsibility to deal with interest rates, as I have said before. But in the interim, while we wait for Mr. MacEachen to determine what, if anything, he can or will do, it is the responsibility of this government to provide relief for the people who are suffering in this province.

The New Democratic Party suggested that measures be taken in this area, and we are very disappointed that the Treasurer chose not to respond in any way, with no action at all. We had hoped that, to deal not only with the cost of housing but also with the need to produce jobs, the government would have responded to our proposal for a construction program to provide low-cost housing, which is sorely needed in the province. This not only would deal with the problem of housing but also would be a job creation measure for workers in Ontario. Again, we find the budget presentation wanting. There is just nothing there.

Obviously there are communities in this province that are seriously suffering because of the current economic situation. They are suffering directly because of high interest rates and indirectly through the related downturn in the economy, the falloff in the auto industry and in the manufacturing sector generally. Those communities where there is a high percentage of unemployment, where people have difficulty making their payments and where the community in general is in serious trouble, need to have some sort of assistance.

We proposed a community adjustment fund that would assist those communities in the short term to provide employment and to get the additional funding they require to provide municipal government services for the communities. They are obviously facing serious additional costs in terms of welfare and a serious dropoff in the municipal revenues. We had hoped the provincial government would fill that void. Unfortunately, the provincial government did not respond in any way, and the Treasurer did

not even mention the adjustment needed for communities such as Windsor, which I point to because of its most serious unemployment and economic difficulties.

We had also proposed that in the area of inflation, since the high interest rates are justified on the basis of inflation fighting, we do consider inflation to be a serious problem and the government should be taking action. It is obvious that high interest rates and tight money generally have failed to deal with the inflationary problem we have. Not only do we continue with serious high inflation rates but we now have, coupled with that, the increasing unemployment as a result of the general economic distress.

It is interesting that initially the Liberals and Tories said we had to have tight money and high interest rates to break the back of and bring down inflation. Now, when we have demands for the lowering of interest rates, which in themselves are inflationary and which have added seriously to the costs of housing and big-ticket consumer items, governments at both the federal and provincial levels are saying to us, "We cannot bring down interest rates until inflation comes down."

It is a circular argument. Initially we had to have high interest rates to bring down inflation. Now we have to bring down inflation to bring down high interest rates or we will continue to have those high interest rates. It is obviously an example of the bankruptcy of both the Liberals and the Tories. They do not really know what to do; so they just drift along with the Reaganomics that we have experienced and are causing serious problems not only in Ontario and in Canada but also throughout the economy of the western world.

We have had European meetings, meetings of economic ministers in Europe, in Canada and the United States and they have all said in varying degrees of intensity to the American government, "We have to have lower interest rates." It appears that, for some reason, the Americans will not respond. They are going to continue the high interest rate policy. Although just recently we have seen some possibility of a loosening money policy in the United States, it still appears that they will maintain high interest rates for some time.

The Minister of Finance at the federal level has said he wants to have that policy changed, but we do not yet have any indication that he and the Liberal government are finally going to realize they must act independently. They can-

not just depend, as this Treasurer has said, on President Reagan to solve all our economic problems.

It is interesting to note that even a Liberal such as Walter Gordon has said it is about time we had an independent policy. He has been arguing that for some time—unfortunately, I suppose, for him, to the deaf ears of the Liberal Party in this country—we cannot wait for the Americans. I agree with Walter Gordon on that count. We cannot wait for the Americans to resolve our economic problems. It just will not work.

Just as we cannot wait for President Reagan to resolve the problems of this country and we must act independently, so must we act with compassion at the provincial level. Just as we cannot wait for President Reagan to resolve the problems of the national economy, we cannot wait for the Honourable Allan MacEachen to resolve the problems of the Ontario economy.

9 p.m.

We could wait and wait forever, but considering the paralysis of Mr. MacEachen and his policy advisers, he is not going to take any initiatives that are going to resolve those problems. We are just going to continue having Governor Bouey directing the monetarist policy that he has advocated for so long under both Conservative and Liberal administrations and we will continue to have the high unemployment and the economic dislocation that is related to those interest rates in this province above all, because we are so dependent on the manufacturing sector.

We suggested that we recognized inflation was a serious problem, but unlike Liberals and Tories, we do not believe that inflation is wage pushed at this stage in our economy.

It seems the Liberals and Tories, because of their inability to resolve the problems of inflation, are falling back on that old argument that somehow it is the workers of this country and this province who are at fault and that the only solution for inflation is somehow to have wage restraint or perhaps even wage controls.

It would be funny if it were not so tragic. It would be funny because obviously the workers of this country, in making demands for higher wages, are not causing inflation. They are reacting to it because it is becoming more and more expensive for them to meet their obligations: to put food on the table; to put shelter over their heads; to pay for the cost of fuel and clothing; to provide for their families.

Workers are understandably saying, "We

have to have catch-up." But the only thing that Liberals and Tories can say is, "The only way to solve inflation is to have smaller and smaller wage increases."

As I said, I find it somewhat amusing when one realizes how Conservatives, and Liberals for that matter, respond to demands by those individuals who call themselves professionals, such as doctors, when they say they need to catch up. It is all right to say, "All right, since you are at the top of the heap you have to catch up." Catch up to whom I am not sure, but they have to catch up.

When doctors and the medical profession compare their incomes today very selectively to the early 1970s, the years when they had gone substantially farther ahead of the average industrial wage than they had been previously, and say, "We don't have the same differential between our incomes and the average industrial wage, therefore we need some catch-up to put us further ahead than we are now," this government says, "Well, we don't want to give you everything you are asking for, but yes, you do need some catch-up and we are going to give you some catch-up."

Mr. Treleaven: What about teachers?

Mr. Wildman: Mr. Speaker, the ironic thing about that interjection, "What about teachers?" is the very point that the honourable member who says that really does believe that inflation is wage pushed. He really does think we somehow have to have restraint and so, although they did not restrain doctors, they should somehow restrain other people who get public sector funding, whether it be teachers, lawyers in the legal aid plan, hospital workers, municipal employees, civil servants—and MPPs for that matter. It is a completely bankrupt view of the economic situation.

The fact is that the inflation we have today is not wage pushed. The attempt to keep down wages is simply an attack on the victims of inflation rather than on the causes of it.

Mr. MacDonald: Drying up the purchasing power that can rev up the economy.

Mr. Wildman: Keeping down wages has the result my colleague indicates. Let us say the government is successful in maintaining wage restraint so the workers have less money to spend. They are already not spending enough to produce a market for the goods we were manufacturing in this country and so we make it worse.

One of the major problems we have in this

economy is productivity and the differences in our productivity compared to the Japanese, the Americans, the Germans and other trading nations. Certainly, labour is one component in productivity; there is no question about that. But it is also true that, more and more in our technological society, productivity is determined by innovations in technology, by research and development and by innovations at the management level. It is true that in Canada and Ontario we are lagging behind. We have been unsuccessful in maintaining our position as a technological economy.

I suppose it would be unfair to say this government has not responded in any way to that problem. It has said it will set up technological centres. It has its Innovation Development for Employment Advancement Corp. It is encouraging research and development. But this government seems to have the attitude that it can somehow put up these centres to employ a few people, to try to bring industry together, to talk about research and development and opportunities, and that will resolve the problem.

The major problem we face in increasing our productivity through new technological innovation is the very fact that we are a branch plant economy. The multinationals that operate in this country do little research and development here and see little reason for their branch plants to compete with the parent firms in that sphere. This government is defeating the whole purpose of all the technological centres it is setting up by at the same time going to the United States, Japan and western Europe and saying, "We want more foreign investment."

Foreign investment is an example of Conservatives and Liberals being unable to respond independently and believe they themselves can deal with the problems in the economy. Instead, they depend on others to do it for them. Just as we depend on Reagan to resolve the overall economic situation, we depend on foreign investors to produce the innovations and improvements in productivity that will make our industry competitive. In our view, that is a self-defeating and small-minded approach.

I suppose I have been talking in terms of short-term assistance for interest rate relief and the need to improve our productivity and our economic competitive situation. However, in our proposals before the budget, we also talked about some immediate efforts the government should make. Specifically, we suggested the construction of 15,000 new rental units for

low-and middle-income people who are finding it difficult to obtain housing.

We estimated such a program would cost \$150 million. Again, we did not expect the government to respond by simply accepting our proposals, but we hoped we would see some move in that area. Unlike the other areas I have mentioned, there was some government action, some government proposal in the budget. The Treasurer said he would deal with the housing problem, get more housing construction going, get more houses sold and get more people into houses—people who, at this stage, are not purchasing—by offering interest-free loans for higher-income purchasers.

9:10 p.m.

Without dealing with the overall problem of what these people are going to face after they purchase a house with this assistance and have been in the home for two years and the mortgage payments then are renegotiated, I want to point out that, even if that program is as successful as the Treasurer argues it is going to be, it does not do a thing for those people at the low and middle-income levels who cannot afford to get into housing even with the assistance this program provides.

We also proposed a residential energy conservation program, which would provide jobs and would assist people to make their homes more efficient and to "Preserve it, conserve it," as the slogan goes. In that area we saw no action from the Treasurer.

Obviously one of the areas of our economy that is experiencing serious difficulty as a result of the high interest rate policy of the Liberals and the Tories is the small business sector. It is argued that the bankruptcy rate in the small business sector has historically always been high in the first two or three years of operation, and I suppose that is true. But the bankruptcy rate has climbed significantly since the interest rates shot up. We proposed some relief in that area for the small business sector, and we estimated this program would cost about \$50 million.

The Treasurer has been very proud of his proposal in this area. He suggested the way to resolve the problems faced by small business in our present economic climate was by a tax holiday, which would cost the taxpayers \$200 million more than the proposal we made. There is no question that small business men and women who are doing well and are making a profit will certainly welcome a tax holiday for two years. Who would not? I notice that Mr. Bulloch of the Canadian Federation of Inde-

pendent Business has welcomed this proposal and has congratulated the Treasurer on what he considers a very progressive budget.

Mr. Samis: He did not call it progressive. He said favourable.

Mr. Wildman: A favourable Progressive Conservative budget.

The ironic thing about the Treasurer's comments and Mr. Bulloch's comments is that a tax holiday does not do a thing for the businesses that are in trouble. The problems businesses have in carrying inventory and dealing with high interest rates, in paying off their capital loans and their operational loans, in meeting their obligations, have led to such a rate of bankruptcy that many businesses in this small business area are in such trouble that not only are they not paying taxes, but they are going out of business.

If a business is in such a state that it is going into receivership, forced sale, closing down, a tax holiday does absolutely nothing for it. Obviously a tax holiday is going to benefit those businesses that are doing well and making a profit; no one can deny that. But it does nothing to respond to what we perceive to be a major problem, that a number of small enterprises are going out of business because they cannot meet the high interest payments of the current situation.

Small businesses are of the utmost importance in our economy since they employ more than any other sector of the economy. There are more jobs in that sector than there are in big business. They do not have the dramatic layoffs we see when a large corporation shuts down or curtails production. But each time a small business goes out of operation more and more people are put out of work and go on unemployment or welfare. The budget proposal for a tax holiday does absolutely nothing to get those businesses into a more viable situation and to preserve jobs.

The other area of our economy that is experiencing serious problems as a result of the interest rates is the agricultural sector. We proposed an interest rate relief program for farmers which we estimated would have cost about \$25 million. The need for assistance to farmers is immediate and urgent. This primary industry, which is of the greatest importance to our economy, is in serious difficulty as a result of the lack of concern shown by Liberals and Tories in successive federal and provincial budgets.

We all know that on a per capita basis, this

provincial government spends far less for farmers than does our neighbour, Quebec.

Mr. Kerr: They are in great shape.

Mr. Wildman: I heard the member for Burlington South say they are in great shape. I do not know how many farmers there are in Burlington South but there are some farmers in Algoma, and the majority of them are in anything but great shape.

I do not have to point to the farmers in the Algoma district. One just has to look at the issues of Farm and Country that the Minister of Agriculture and Food (Mr. Timbrell) has been reading, or at the brief from the Ontario Federation of Agriculture and to discuss the problems its members are experiencing with the federation's executives, to know that established farmers, those farmers who perhaps are in great shape or are not doing too badly in the present situation, have a serious concern about the future of agriculture in this province because of the very difficult problems the young and new farmers are facing in this situation of tight money and high interest rates.

Provincial governments across the country have provided low interest loans for interest rate relief to the farmers in their provinces. Quebec, as I mentioned, has a very high proportion of spending for its farmers compared to Ontario. They provide low interest loans at favourable interest rates which make it difficult for the farmers in eastern Ontario to compete. The previous government of Saskatchewan also had favourable interest rate policies to assist farmers.

We had hoped that this government would respond to the needs of the agricultural sector, since the federal Minister of Agriculture is apparently unable or unwilling to persuade the Liberals to respond. But all we got was an \$11-million program for cosmetic improvements to farmsteads, which would help farmers paint the barns, improve the fences, I suppose—

9:20 p.m.

Mr. Epp: He owns a share in a paint company.

Mr. Wildman: I don't know, Mr. Speaker, perhaps he does own a share in a paint company or perhaps the reason is somehow to make the farmsteads look more attractive so that foreign investors will buy more Ontario farms. I cannot see what other purpose there would be. No one could argue it would not be nice as one drives along our concession roads to see attractively painted barns and nice fences. There is no question about that.

Mr. Nixon: I thought there was only \$5 million in that fund.

Mr. Wildman: My figure is \$11 million.

Mr. Epp: It is only a subsidy on blue paint.

Mr. Wildman: Only on blue paint.

I know the government has argued that this is over and above the assistance it has already proposed in the past, prior to the budget, but that assistance—

Hon. Mr. Timbrell: It far exceeds your \$25 million.

Mr. Wildman: The minister says the previous program exceeds \$25 million. We understand that. He will also understand that our \$25-million proposal was in addition to what they had already come up with and which has helped a very small number of farmers in the province.

Hon. Mr. Timbrell: Seven hundred, so far.

Mr. Wildman: Seven hundred. Out of a total of how many farmers?

I would like to know what the minister expects me to say to two young farmers, one a beef producer and one a dairyman, who came to me recently and said: "We got into the business just at the wrong time. We bought just as the interest rates were shooting up, and even with farm credit it is very difficult." The farm credit loans are somewhat less than prime but not very much less.

To make the payments on the farms they purchased, to buy the feed and seed and to meet the other operational costs is very difficult. It is so difficult that not only is it the beef producer who is in trouble, one of two who recently talked to me, but we have that group that is traditionally in a more stable cash-flow situation, the dairymen, facing serious problems.

I have had a note given to me by the member for Cochrane North (Mr. Piché) who has left the House. He says he agrees with much of what I have said but feels that perhaps this speech should be made in the federal House.

I suppose that is typical of the Conservative approach, to say the federal government needs to respond. I do not disagree with that. It does need to respond and to deal with the interest rates, but that is not enough. I cannot say to those two young farmers who came to talk to me: "Go talk to the federal member. It is his problem. It is not my problem. The fact you are going out of business or facing bankruptcy is not my problem. Go talk to the federal member." That does not help them one bit.

The lack of response to agricultural problems in this budget is an insult to the agricultural

community in Ontario. The fact that the executive of the Ontario Federation of Agriculture could meet with the cabinet not too many weeks before the budget was presented in this House and have hints dropped to them that help was on the way, that they just had to wait a little longer, that there would be a response to the serious problems they face, and then for them to be told they could paint their barns and improve their fences and that would resolve all the problems, is ridiculous.

I find it not only disappointing but, as I said, insulting that a government which claims, and has claimed for so many years, to be the friend of the farmer, responds to farm needs by coming up with this small amount of assistance that does not really even deal with the major problem the farmers face. It is really incredible.

As we have said on other occasions, and will continue to say, we see the major problem in the economy as being the control of the Ontario economy by multinationals. As a result of that, we have seen serious dislocation in every area. We said in our proposals on the budget that we needed a major restructuring of the economy to deal with the branch plant nature of our economy, and to provide a stimulus in those parts of the manufacturing and other sectors that are import dominated.

We believe there is a tremendous opportunity for the production of jobs and the revitalizing of our economy if we move in an aggressive, positive way to intervene in those parts of the economy in which we import large numbers of products and, in doing so, export jobs. We propose that serious measures should be taken in a number of areas.

We have suggested the government should invest directly through crown corporations and joint ventures with the private sector to provide jobs and development in the auto industry, in resource machinery, in energy investments and in food processing. We have proposed the spending of \$200 million in the auto sector, \$150 million in the resource machinery sector, \$50 million in energy investments and \$50 million in the food processing industry.

We believe we have to intervene in a positive way in the automotive sector, especially in the area of parts manufacturing. I have pointed out before in this House the difference in the experience of the Mexican auto industry as opposed to the Ontario auto industry. The government of Mexico has intervened in a direct and positive way to produce jobs in Mexico. Basically, what that jurisdiction has

said to the auto manufacturers is, "If you are going to sell automobiles in Mexico, you must also submit to our content regulations and to our ownership regulations."

In Ontario, this government has said it is in favour of content regulations. I believe the Premier (Mr. Davis) went to New York and said we needed 85 per cent content in any cars sold in Canada. We do not disagree with that. We would like to see an even higher content, but we will accept that.

It is not enough to say we need content regulations for the Japanese auto manufacturers. We also have to deal with the \$150-million deficit with the Big Three auto manufacturers in Detroit. Our deficit with the Big Three is as large as it is with the Japanese manufacturers, but this government talks only about Japan.

9:30 p.m.

Mr. Lumley of the federal Liberals goes to Japan, talks to them and gets absolutely nowhere. But no one has dealt with the important need to restructure auto manufacturing in North America as well as to deal with the international field. As long as we have a situation where the Big Three auto manufacturers are moving towards what they call the world car, where many of the parts and engines will be produced elsewhere in Japan, Germany, Mexico, Brazil and South Korea and where we do not have any content regulation, then we are going to be in serious trouble. To talk about content regulation only for Japanese manufacturers is not enough.

We believe a crown corporation in the auto sector could provide investment to produce parts for use by the auto industry that should be produced here instead of imported, and that it would also produce many jobs in areas in which we are facing serious difficulties.

In the resource machinery sector we are not just talking about some kind of resource machinery research centre, as has been proposed for Sudbury. We believe many jobs could be produced if we were to manufacture more of the mining and forestry machinery that we now import. We have talked about this in the House in the past, and I will not go on at length about it.

We have also talked about food processing. The new Deputy Minister of Agriculture and Food has said we need to get a large operator involved to deal with the domination of the food processing industry in Ontario by Del Monte, that it could be a co-operative but that we have to have some big organization which will be able to get involved in a big way.

We believe that in order to do this the

government must be ready to invest directly with the co-operative sector to try to produce this kind of competition. When we heard the deputy minister say this we thought perhaps this was the direction the government was going. Instead, there was nothing in the budget to deal with any of these areas except a rehash of the Board of Industrial Leadership and Development; and BILD, as we have seen, has had very little effect of any kind overall.

The only proposal BILD had for my riding was the King Mountain project north of Sault Ste. Marie. The government said they were going to invest over \$19 million in that project over a number of years, with \$9 million of it up front for infrastructure. But that was dependent on private sector financing and, as has been the problem with so much of our economy, the high interest rate policy that the bank has pursued has made it very difficult for the private sector to come up with the kind of capital required for such a project, so we have seen very little progress in that area.

The Minister of Labour (Mr. Ramsay) stated in Sault Ste. Marie that he regrets the project seems to be on hold. Many of us regret that. I do not think the King Mountain project is out of the ordinary with regard to what has happened with BILD generally. There seems to have been very little progress throughout that whole election program—and in my view that is what it was.

We hope there will also be assistance for those people who are at the bottom of the income scale. We estimate, unfortunately, that the cost of bringing those people on provincial assistance, whether they be senior citizens, single-mother families or whoever, up to the poverty level would be something like \$500 million. That is the result of neglect by the Conservative government over so many years for people at the bottom of the income scale.

There does not seem to be any reticence on the part of the government to help doctors to catch up, but for some reason there is a great deal of reluctance to assist people in great and serious need to be able to meet their expenses and catch up. For the life of me, I do not understand why it is so important for someone who makes between \$60,000 and \$80,000 a year to catch up so he can maintain his lifestyle but when one deals with someone who makes less than \$8,000 a year it is not as important for him to catch up. It does not make any sense. Obviously, people who are making less than \$8,000 require catch-up far more than those

who make \$80,000, but we get no response from this government.

In terms of the working poor, we had proposed a change in the minimum wage regulation. Right now in this country, Ontario has one of the lowest minimum-wage scales of any province. We have a situation where a person who is at the minimum wage can work for a full year and end up at the end of the year making even less than some people make on assistance programs. Even in Conservative terms, I do not understand that. What incentive is there to work in that kind of situation?

Instead, there is no response at all. We had suggested that, to phase in the increases that are necessary in the minimum wage, assistance should be given to the small business sector which, in the serious economic squeeze it finds itself, might be hurt by increases in that wage scale. There is nothing in the budget speech that even deals with that.

Instead of assisting the people who are in serious trouble economically, the budget turned around and increased their payments. We had a tremendous increase in the Ontario health insurance plan premiums, again to help the doctors catch up.

We should be going in the opposite direction. We should not be increasing OHIP premiums. We have seen a federal study that just came out. The Minister of Health (Mr. Grossman) has gone off to a meeting with the other ministers from across the country and we understand the federal Minister of National Health and Welfare, Mme Bégin, is going to say to that meeting that the three provinces plus the Yukon Territory which still have medicare premiums should be moving to eliminate them. We also understand the federal minister is going to say that the provinces which allow extra billing should eliminate it.

We know from the attitudes expressed by the Treasurer, the Minister of Health and other members of the government that this government is not going to respond in any way. It believes that right now the system it has is in some way equitable.

For the life of me, I cannot understand how any right-thinking person, capital "R" or small "r," will be able to explain that a premium which is unrelated to income can somehow be equitable. Obviously, the more our health care system is paid out of premiums the greater the shift in the burden to the low-income people to pay for

it. So we have the regressive approach to raising revenue through premiums.

9:40 p.m.

We also have an increase in other regressive taxes by the expansion of the retail sales tax. Other members have talked about the articles which were previously exempt and are now taxed, so I will not go on at length about that. But it is incomprehensible to me how this government can argue that by widening the sales tax base they are providing equitable taxation.

I think the budget overall is a tribute to the inability of this government to respond to the serious problems in the economy in general and specifically to people living at lower income levels. We regret that this government has failed to respond to the needs of the province and therefore we cannot support this budget. In our view this budget ignores the plight of the poor and is, in fact, an attack on them.

Mr. Jones: It doesn't support small business, right, Bud?

Mr. Wildman: The honourable member obviously was not here earlier when I talked about small business. I said very clearly that the tax holiday for small businesses which are making a profit does indeed help them, but it does not do a damned thing for those which are facing bankruptcy.

No doubt the member who interjected looked for one straw he could pull out and say, "Look, this is something we did that was positive." I agree that a tax holiday for small business is positive. But ask the small businessman who is facing bankruptcy if it helps him. It does not.

It is interesting also that one has to be incorporated in order to benefit from the small business tax holiday. I suppose the overall result of that provision in the budget will be a bonanza for the lawyers who will be helping unincorporated small businesses become incorporated so that they may benefit from this tax holiday. In the long run the lawyers will win, as they always do, and the ordinary small business person will not gain a great deal.

We in the New Democratic Party proposed some positive alternatives to Liberal-Tory economic bungling. We had hoped there would be a response from this Conservative government since we have realized over the years that we cannot expect a response in any serious way from the federal Liberal government. We thought there might be some small hope that the Conservatives would respond when they saw that

the Liberals refused to respond, but we find, as I said, there is no difference between Liberals and Tories.

The Liberals when they are in opposition are opposed to high interest rates. The Tories when they are out of power do not like high interest rates. But when the Liberals are in power they are in favour of high interest rates and when the Tories are in power they are in favour of high interest rates.

The Tories at Queen's Park are opposed to the Liberals and the Tories federally. The Liberals at Queen's Park are opposed to the Liberals and the Tories federally. In fact, neither has any proposals that are going to do a darned thing for the people of this province. We believe it is time for a change. The people of this province have had enough of Liberal-Tory baffle-gab and they are now ready to move to the New Democratic Party.

We are going to continue pressing for Liberals and Tories to see the light, to provide for positive intervention in the economy and an independent approach to our economy. If they do not respond, we will see at the polls that people have had enough of Trudeau-Clark and Miller-Peterson. We are going to have Bob Rae as the Premier of this province.

Mr. Speaker: The member for Wentworth.

Mr. Bradley: I remember when the member for Wentworth was a Liberal.

Mr. Dean: Mr. Speaker, the honourable member is older than I thought he was.

I think one could say about the member for Algoma (Mr. Wildman) what was said about a famous person in literature: "Nothing in his life became him like the leaving of it." The last paragraph was the best part of his speech, although I thoroughly disagree with it. If the people of Ontario, by some complete abandonment of their good sense, ever put in a New Democratic government it would be the absolute end of any hope of recovery from any kind of economic disaster. It would be an invitation to the complete black hole of economic uncertainty.

I do not think anybody on either side of the House will dispute that times are tougher now than they were a few years ago. We are in troubled economic times.

Interjections.

Mr. Speaker: Order.

Mr. Dean: The current economic climate, where we have continuing inflation and mount-

ing unemployment, is taking its toll on many Ontarians.

Mr. Mancini: That's restraint.

Interjections.

Mr. Speaker: Order.

Mr. Piché: Mr. Speaker, it's Remo.

Mr. Dean: I do not know whether the member for Cochrane North wants to hear this or not. The comments of the member for Algoma earlier in the evening about inflation not being wage pushed were really rather infantile because there is no section of our economy these days that does not have an effect on inflation.

It is only marginally true to say that one factor does not influence it. Every aspect of the economy will have an effect on inflation. It is fuelled by any segment of our provincial population that is trying to get more out of the system. I want to emphasize that. It is fuelled by any section that tries to get more out of the system than we are putting into it.

9:50 p.m.

That applies not only to people who are so-called wage earners, it applies to people who call themselves entrepreneurs, to people who call themselves civil servants, to people who call themselves members of any legislature or any other government.

Mr. Swart: What about doctors?

Mr. Dean: Yes, any profession. If they are trying to get more out of it than they put into it, there certainly is an inflationary effect. I emphasize it is not realistic and it is certainly a jingoistic whitewash to say that inflation is not wage pushed.

Mr. Jones: Jingoism. Whitewash.

Mr. R. F. Johnston: There's a definition problem here, Mr. Speaker.

Mr. McClellan: We need a dictionary.

Mr. Speaker: Order.

Mr. Dean: It would be equally true to say that inflation is not pushed by profits, because profits are what the person who supplies the capital gets profits for his efforts in the same way that wages are what a working person gets for his. If any of those groups attempt to take more out of the system than they are putting into it, they are a cause of inflation.

Let us face it, we are all guilty of that to some extent. The people on that side of the House, we people on this side of the House, their constituents, my constituents—if we are trying to get more out of the system than we put it into it, we

are part of the problem; we are not part of the cure.

Mr. Mancini: Absolutely. I have said that for seven years. You are part of the problem. You have been the problem. Your cure is coming. Just hang around.

Mr. Dean: Why is the honourable member not cured yet? Why is he not cured then?

I think in this House we have the clear responsibility to show some leadership in this kind of matter. I do not know whether the members opposite know what leadership involves; I sometimes wonder.

We have to remember that one of the things this government is and has been concerned about is the necessity for somewhat stringent measures in this kind of opportunity, both in the short term and the long term. We have to have some supportive, stimulating efforts and some where we pull our punches to some extent because we do not have the resources to cover them.

Mr. Mancini: Show restraint. Turn in your salary. Give it to the Boy Scouts.

Mr. Speaker: Order.

Mr. Dean: The revenue sources have been broadened by this budget so we will have some of the means to support the services our people have come to expect.

Our strong tradition of sound financial management is being continued, and the Treasurer (Mr. F. S. Miller) has really crystallized the feeling of the members here to the extent that he has shown leadership in restraining growth in the public sector, which is very important.

Not only has the Treasurer redrafted our tax structure to stimulate our economic climate and indirectly provide a broader base for employment growth, but also he has proposed immediate measures to create jobs. It is that part of the budget in particular I wish to comment on tonight, the job creation aspects of the budget. These are very positive steps, not some pie in the sky approaches, but something practical that has an opportunity to come to fruition within the lifetime of the Legislature.

There is a new four-point program to create 31,000 jobs on a temporary basis.

Mr. Wildman: Temporary?

Mr. Dean: Exactly. That is when it is needed,

and to stimulate the development on a longer-term basis.

Mr. Wildman: How?

Mr. Dean: How? How-um, squaw.

Mr. Wildman: Come on.

Mr. Di Santo: Withdraw.

Mr. Dean: I want to indicate that these are short-term. The cost is \$171 million. That is tax money; it is not something that comes out of the air. They are designed to provide the much-needed relief to certain sectors of our economy that are harder hit than others.

Measures have been carefully designed by this government in a responsive way to soften the blow and enable individuals who badly want to work to really work.

Mr. Wildman: Mr. Speaker, on a point of privilege: I have no objection to the honourable member calling me a jingoist or saying that I whitewash things, but I sincerely reject his comment of "How, you squaw." In my view, that is a racist comment and should be withdrawn.

Mr. Speaker: I thank the member for Algoma for drawing my attention to that. I did not notice it. I am sure that, if he did say that, the member for Wentworth will indeed withdraw.

Mr. Dean: Mr. Speaker, if there is anything that has offended the honourable member, I am pleased to withdraw it.

Mr. Wildman: Thank you.

Mr. Dean: I wish to call attention particularly, Mr. Speaker, to a co-operative projects employment fund that is established in the new budget and contains \$15 million that is designated in programs to employ laid-off workers. Our government has worked out a cost-sharing arrangement with the federal government to create about 6,000 jobs. This is an example of how governments can work together if there is a will and desire to do so and if there is a reasonable program about which we can make co-operative arrangements. We think this kind of approach will give the best possible returns for our investment and for the money that is put up by the federal government—which, after all, is still our money; it comes from our pockets.

Another example of the employment-creating measures is the accelerated forest improvement program, which is of particular interest to the areas of our province where forestry is a major industry. This was announced earlier this year and is another program in co-operation with the federal government. Under this arrangement, laid-off forestry workers are paid \$240 a week

from unemployment insurance benefits plus a \$60-per-week provincial supplement to work on forest management projects. We not only think this is a good arrangement but are also proposing an expansion of the program.

A comparable one is the recently announced mining special employment program to assist laid-off miners. This also will be financed out of the fund and again should be of particular interest to people from northern Ontario, but not only to northern Ontario, of course, because whatever benefits one part of the province benefits all parts.

Mr. Wildman: The wealth of the south is built on the north.

Mr. Dean: That is right.

I am confident that co-operative measures like those will give the communities where resources are the main base for the economy a great boost by providing employment for laid-off forestry and mining workers. I think it makes good sense to give our workers with proven skills the opportunity to keep on utilizing them.

The benefits of broadening the base of these proven projects are greater, in fact, than just simply the statistics of the jobs that will be created. They will benefit the local communities involved there by providing important activities in forest culture and management, nursery development, forest access road construction, fire hazard reduction and the protection of our precious resources, the forests.

A third segment of the job creation program is the acceleration of investment in public projects.

Mr. Bradley: If only Mac Chown could hear you tonight, Gordon.

Mr. Dean: I wish Mac were here. He would be almost tempted, I think, to become a Conservative.

Mr. Bradley: He was almost here.

Mr. Dean: That is right. However, he went back to something that some members wish they had not left, apparently; that is, the practice of law.

The Treasurer has allocated \$133 million in the budget for this acceleration program. It will create 14,500 temporary jobs, stepping them up from the time frame when they were originally proposed to fill in the blanks in this time of great need.

Programs in this segment are outlined very succinctly in the small blue book, which I think many members have seen: the highlights from the budget. They include things such as road

projects, repairs to university and college buildings, and water and sewage projects. These have all been announced since the budget announcement by the ministers who are responsible for them.

Renovations and repairs to public buildings, repairs to schools, local government projects, the upgrading of forest and fisheries resources—these are all multimillion-dollar projects on their own, and they certainly demonstrate the determination of our government to put some of the hard-earned tax dollars of our people into jobs that will help stimulate the economy at this time of need. There is a total of \$171 million among the co-operative projects, these accelerated ones and two others I have yet to discuss.

10 p.m.

The programs that are stepped up in this way, these initiatives, will enhance facilities such as bridges, buildings, roads, whatever, which are already in existence and will beautify many of them for a long time to come. These benefits will be much appreciated by the residents of the areas where the construction and the upgrading will be performed.

We want to ensure that the people of this province have the best service and facilities available in accordance with our budgetary means. We remain committed to making sure that Ontarians enjoy the highest possible standard of services available.

The government is not only concerned with seeing our unemployed get back to work, although it is certainly important that they have the opportunity to polish their skills and again be able to pay their own way and earn their own living, which I guess 95 per cent of us want to do. In addition to that concern, we want to see our young people develop the skills that will enable them to participate fully in the life of this province. We know that young people are the group hardest hit across Canada by the recession we are in now.

Mr. Nixon: The member for Brantford (Mr. Gillies) is in charge of that. Where is he?

Mr. Dean: I think he is off looking for jobs for young people.

Mr. Nixon: Is he going first class in his quest?

Mr. Dean: I did not know he had a quest. I thought it was a jet.

In March and April, respectively, the actual youth employment rates in Ontario were at 17.3 per cent and 16.2 per cent, while national rates were higher at 18.4 per cent and 18 per cent. That is almost a full percentage point in March

and almost two percentage points higher on the average, in April, than in Ontario; which means we are not quite as hard hit as some, but we still have nothing to brag about. As a result, our government is not content to sit back and compare our more favourable statistical situation with the national average. We do not want to do that. We do not place all the blame on the federal government. We must work hard to correct this situation.

About half of the unemployed in Ontario today are in the 15-to-24 age group. We know it is necessary to take all available action and make sure that as many students as possible are given the opportunity to work at the occupation of their choice. This year's budget, this budget we are now debating, gives our existing youth employment program a big shot in the arm. Funding has been increased by \$12 million to total \$91 million. That is 14.2 per cent over last year. Some 8,400 new jobs will be created, bringing a total of 93,000 jobs to the youth employment sector. This is a very significant factor.

The popular Ontario youth employment program, which had already allocated most of its funds at the time the budget was prepared, will now receive, through the budget, an additional \$7 million this year. OYEP's \$30 million will allow us to subsidize 57,000 jobs. Just think about that for a minute—57,000. Those are for young people who otherwise might not have got a job.

Mr. Nixon: How can the parliamentary assistant in charge operate that when he is in Paris?

Mr. Dean: I think the machinery has already been established—to respond to that interjection. After all, everything is not dependent on the activities of one particular person.

Mr. Nixon: You mean you can get along without him?

Mr. Dean: Temporarily; after all, some of these are temporary jobs.

The Ontario youth employment program gives eligible farms and businesses a subsidy of \$1.25 an hour per employee taken on during this project to create new jobs of up to 20 weeks in length, particularly for people in the summer period between courses. The target group again is young people between 15 and 24 years of age.

Mr. Haggerty: How many jobs in the peninsula?

Mr. Dean: Fifty-seven thousand jobs throughout the province are available this way. Presumably they are spread throughout the province

wherever employers are willing to assume their part of it.

Mr. Haggerty: How many offshore workers are coming in to work on the farms in the Niagara region?

Mr. Speaker: Order.

Mr. Dean: As you have often requested, Mr. Speaker, I will ignore the interjections, especially if they are irrelevant.

The target group for the Ontario youth employment program is obviously our young people between 15 and 24 years of age. As well, the Ontario career action program is being subsidized with a \$2-million boost. The new level of funding, now \$16.8 million, will result in the creation of more than 15,000 training positions across Ontario. That is 15,000 more than we would have had without this program.

I am not suggesting that this is anything magical. The funds certainly come from the tax base, as all our other funds do, but it takes the initiative and imagination of someone who looks at the picture clearly to apply these funds directly.

The other youth-oriented initiatives of this government, such as Experience '82, the junior rangers, summer replacement, co-op students and similar special programs, with a combined funding of \$39.7 million, will provide 18,000 more jobs.

These programs are the result of the pooling of efforts by all of the ministries of the government. By combining this wide variety of resources and creating these many opportunities, this government is actively demonstrating our commitment to provide the youth of the province with the opportunities to develop their skills and to get practice by on-the-job training.

In addition, the Ontario youth secretariat has carried out extensive information programs to assist young people in actually finding a job. Through the Ontario youth employment program, the secretariat has produced many informative booklets and slide-tape programs to show young people in many parts of the province how to go about looking for a job or starting a small business.

This again is done partly in co-operation with the federal government, which is the way in which governments should be operating their employment programs and services for youth. A KWIC index to the many youth employment initiatives and services sponsored by both levels has been published and distributed.

It is important to improve the public's aware-

ness of the many government programs and services available in Ontario. We are trying to do this by encouraging young people to take the initiative and by showing them how to do that.

A very important component of this is the youth employment counselling centres sponsored by the youth secretariat of the Provincial Secretariat for Social Development which serve youths between the ages of 15 and 24 who are disadvantaged for social, economic or educational reasons. They are initiated in the local centres which help reduce youth unemployment by preparing young people to actively look for a job and to meet the demands of it when they get one.

The members would be surprised—or perhaps not, not if they looked into this—to know how many young people actually lack the skill to go and find a job. They hardly know where to start. They are baffled by the bigness or strangeness of it all. The youth employment counselling centres are providing a real function here.

I am acquainted with the youth employment counselling centre that is operating in the city of Hamilton with the Citizen Action Group. I believe it is an excellent example of what is done, in the beginning on a volunteer basis and now with considerable funding from this government, to set up a program on an informal and homelike basis where the young people who have dropped out of school for some reason or other and who have not had a history of successful job application or work can come.

10:10 p.m.

It is getting a fantastic response from the young people in the community, not because they advertise but because of the word-of-mouth recommendation of other young folks who have had the experience. The dedication of the full-time staff and the volunteers is something to behold, and it is something one could not buy. To help them in this very worthy program our government, yours and mine, is supporting an expansion of this centre to respond to the demand.

I emphasize the word respond. Our government is a responsive government, responding to the needs of our young people for the chance to earn an honest living, building tomorrow's citizens as well as finding jobs for them.

Mr. McClellan: Temporary jobs.

Mr. Dean: Temporary jobs sometimes turn into full-time jobs.

A program is also in place which encourages students 15 years of age and over to create their

own jobs by learning to develop and operate their own small businesses. This is called the student venture capital program. Through it students may receive up to \$2,000 to start up their own business. That is an interest-free loan and helps them to start their summer enterprise. The work is done in connection with the financial services of a bank and with local chambers of commerce to get practical, helpful advice.

I am sure it is apparent to members that this is an important component in giving young people the experience of starting and running a business to see what some of the challenges and pitfalls are so that, as they get older, they will be prepared to enter the great crop of small businesses in our province which, as all members agree, are the backbone of our economy.

All members present tonight will recognize that the government is sponsoring a great variety of initiatives which will enable our youth to live to the fullest of their potential and learn and to realize their skills. In short, job creation for our youth is receiving top priority in this budget by this government.

Another sector that has been badly hurt by the inflationary pressures of the last few years is our agricultural community. This government is committed to ensuring that this very important base of our economy weathers the extraordinarily harsh economic climate as well. I need not draw members' attention to the various programs that have been initiated in the past year.

I wish to draw attention to the fact that this year the Treasurer's budget provides \$11 million in additional measures to create 2,100 jobs in our farming communities. These include an increase in the funds for tile drainage by over 26 per cent compared with last year, creating a new \$5 million farmstead improvement program and making sure those funds are properly allocated to people who truly need them.

Because many of our farmers were having problems due to economic conditions, a number of programs had been put into place before the budget came out; for instance, the farm adjustment assistance program announced in December for those farmers hit hardest by high interest rates. We heard earlier this evening from the Minister of Agriculture and Food (Mr. Timbrell) that to date 700 have taken advantage of this initiative and have received help from the government's funds.

It is expected that the \$60 million of assistance will be provided to as many as 5,000 farmers in order to enable those who have been

hit where it hurts to weather some of the toughest part of the recession.

I am also informed that details will soon be announced of a new program, mentioned in the throne speech, which will provide young farmers with assistance.

I have called the attention of the members of this House to these many job creation programs to make a single point. The government of Ontario is vitally concerned with the unemployment problem that faces our people. We know unemployment hurts everybody. It stultifies the growth of our economy on a large scale and it is an overwhelming burden on the people who are most intimately affected.

This government is doing all it can to confront the problem and to rectify it, not by throwing money at the people but by trying to stimulate the economy through partnership with private enterprise.

That is the final point I would like to make, that although government has many resources available—all of them, of course, raised from the citizens—and can institute well-planned programs—and we are trying to do that—it does not have all the resources necessary to improve the business climate all by itself. In fact, this government does not want to take on the management of the economy all by itself. We believe in government encouragement, in government stimulation of the economy. We do not believe in government meddling, in government taking over the economy.

To redress the current situation, where the economic situation is not all that rosy, all levels of government and private industry must work together. As I stated earlier, tough conditions call for tough measures. Much has to be left up to the businesses, to the labour unions, to individuals in the private sector to share the responsibility, to manage their operations in such a way as to promote the public good, to work towards building an economy that will sustain full employment.

In conclusion, I would like to say that the government of Ontario has laid out a reasoned, moderate budgetary plan to do the several things I have spoken about, to keep up our services to our own people, to restrain the growth of our own government sector.

Again, I would like to point out to anybody who missed it, and I do not think any members of the House could have missed it, that on page 19 of the budget document reference is made to the necessity for the public sector to restrain its wages and salaries. The Treasurer has indicated

that, beginning with the top level of the civil service, the maximum salary increase this year would be six per cent. He has also indicated that the same thing would fall into place for members of this Legislature, that any increase would be a maximum of six per cent.

Mr. Nixon: He just made a recommendation.

Mr. Dean: That is correct. That is a recommendation.

Mr. Nixon: We never follow those here.

Mr. Dean: I hope, just in line with the very penetrating comment of the member for Brant-Oxford-Norfolk —and please notice that I got the name right—

Mr. Nixon: You certainly did. Nobody ever said you were a slow learner.

Mr. Dean: In concert with what the member has said, I think six per cent is too much of an increase for the people in this House. I think we are the ones who, above all, should show leadership and demonstrate that we can do without an increase for a year because of the situation. I think this would be viewed in a very positive way by all our constituents, and it might bring home to those who still have some lingering doubts about where responsibility lies, that it lies with each one of us to try to lick the inflationary bug.

We cannot wait for George to do it. I do not mean the Chairman of the Management Board (Mr. McCague), although he might try hard. The member for Burlington South (Mr. Kerr) does not want to do it alone either, though I think he could. The reasoned program of the government, besides including those things, also has a plan to create new jobs in the world of business and industry in co-operation with private entrepreneurs—I have outlined them dur-

ing most of the evening—and, finally, to provide training for our young people who can bring their enthusiasm and new ideas into our work force.

The many positive features of this budget are designed to keep Ontario strong. All honourable members will serve their constituents well by supporting it.

10:20 p.m.

Mr. Ruston: Mr. Speaker, the member for London North (Mr. Van Horne) was prepared to speak but he is in committee. I did not know when he was going to speak or how long the former speaker was going to talk. I could go down and get him if it is agreeable or we could adjourn.

On motion by Mr. Ruston, the debate was adjourned.

Mr. Speaker: Pursuant to standing order 28, the member for Essex North has given notice of his dissatisfaction with the answer to his question by the Minister of the Environment (Mr. Norton). I now call upon the honourable member who may speak for five minutes.

Mr. Ruston: On a point of order, Mr. Speaker: There is a problem in that the minister with whom I wish to raise the question is in committee as well. We have a slight problem. I am sure the minister would be willing to come in at 10:30 p.m.

Hon. Mr. Gregory: Mr. Speaker, with the agreement of the House we could recess until 10:30 p.m.

Mr. Speaker: We could do this on Thursday night.

The House adjourned at 10:22 p.m.

CONTENTS**Tuesday, May 25, 1982****Second reading**

City of Toronto 1981 Assessments Complaints Act, Bill 60, Mr. Ashe, Mr. Nixon, Mr. Mancini, agreed to.	2017
---	-------------

Third reading

City of Toronto 1981 Assessments Complaints Act, Bill 60, Mr. Ashe.	2023
--	-------------

Budget debate

Mr. Wildman.	2023
Mr. Dean.	2031

Other business

Adjournment.	2037
-----------------------------	-------------

SPEAKERS IN THIS ISSUE

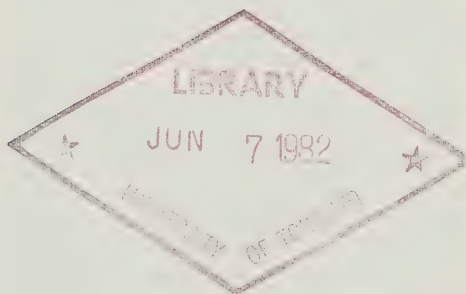
Ashe, Hon. G. L., Minister of Revenue (Durham West PC)
 Bradley, J. J. (St. Catharines L)
 Brandt, A. S. (Sarnia PC)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
 Dean, G. H. (Wentworth PC)
 Di Santo, O. (Downsview NDP)
 Epp, H. A. (Waterloo North L)
 Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
 Haggerty, R. (Erie L)
 Johnston, R. F. (Scarborough West NDP)
 Jones, T. (Mississauga North PC)
 Kerr, G. A. (Burlington South PC)
 MacDonald, D. C. (York South NDP)
 Mancini, R. (Essex South L)
 McClellan, R. A. (Bellwoods NDP)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Piché, R. L. (Cochrane North PC)
 Renwick, J. A. (Riverdale NDP)
 Ruston, R. F. (Essex North L)
 Samis, G. R. (Cornwall NDP)
 Swart, M. L. (Welland-Thorold NDP)
 Timbrell, Hon. D. R., Minister of Agriculture and Food (Don Mills PC)
 Treleaven, R. L. (Oxford PC)
 Turner, Hon. J. M., Speaker (Peterborough PC)
 Wildman, B. (Algoma NDP)



88
No. 58

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Thursday, May 27, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, May 27, 1982

The House met at 2 p.m.

Prayers.

MAILING OF GOVERNMENT ADVERTISING

Mr. Bradley: On a point of privilege, Mr. Speaker: I have in my hand a piece of correspondence received from a friend of mine which was mailed to him accidentally by Joe Clark, the leader of the Progressive Conservative Party of Canada. This piece of mail was processed through the office of the federal Leader of the Opposition and is covered by the free mailing privileges of federal MPs.

Hon. Mr. Wiseman: It has nothing to do with us.

Mr. Bradley: The member wants to know; here it comes.

This envelope contained a partisan propaganda publication of the Toronto and District Progressive Conservative Youth Association. I appreciate that specific end of it is not your concern, Mr. Speaker, although it may be of concern to the Speaker of the House of Commons.

In addition, this envelope contained a pamphlet called "Highlights of the 1982 Ontario Budget," with a card attached which says, "With the compliments of the Honourable Frank S. Miller, Treasurer of Ontario." I am concerned that the Treasurer would want to tie his leadership ambitions to the Leader of the Opposition federally, but that is not the matter of concern right now.

More important, I have another concern. I appreciate that it is far cheaper to mail correspondence from Ottawa than from Tokyo, but are we to assume that the Treasurer, and indeed this government in Ontario, are intent on extending this collusion with the federal Leader of the Opposition to abuse the free mailing privileges allowed federal MPs which are paid for by taxpayers all across Canada?

As members of this Legislature, and keeping in mind that people in this Legislature are using federal mailing privileges for their own purposes, I think it is a matter worthy of your investigation.

Mr. Speaker: I do not think I have heard a point of privilege, with all respect.

SAFETY OF OFFICE EQUIPMENT

Mr. R. F. Johnston: On a point of privilege, Mr. Speaker: I would like to refer you to the issue of the video display terminals at the Ministry of the Attorney General's office at old city hall in Toronto. It has been raised in this House on several occasions.

On March 18, the Minister of Health (Mr. Grossman) indicated he was appointing Dr. John L. Harkins to undertake a major and intensive study of the situation at old city hall. The minister said, "I have asked him to report as quickly as possible."

On April 23, the deputy leader of my party and myself inquired of the Minister of Labour (Mr. Ramsay) why, if this was such a big rush, more than a month afterwards Dr. Harkins had still not had his contract signed and the investigation was, therefore, not being undertaken.

On April 27, in response to a question from myself, the Minister of Labour indicated as follows: "The members opposite pointed out on Friday that Dr. Harkins had not signed a contract as yet. I understand that the Minister of Health signed a contract today and that Dr. Harkins is expected to sign tomorrow, and even though the contract has not been signed up until today and tomorrow, Dr. Harkins has talked with officials on the task force of which Mr. DeMatteo is a member," etc.

It is my information that as of today Dr. Harkins still does not have any terms of reference upon which to initiate that study. It is now more than two months since those questions were raised. The Minister of Health in his initial statement said the following:

"In this way, he," Dr. Harkins, "will have full authority to investigate medical, environmental or other factors which he feels may be pertinent. He will also be able to examine any relevant health records. The Minister of Labour has asked me to assure Dr. Harkins that he will have access to any resources his ministry has which may assist him. In addition, of course, he will be free to obtain any other assistance he requires."

That sounds like a *carte blanche* being offered to the doctor, and yet the doctor has not been able to obtain terms of references by which to operate this investigation. I think the evidence

has shown that what has happened is the attempts of the opposition to raise this issue and to have a public focus on it here have been blunted by the initiation of this investigation.

We welcome the investigation, yet it has been used as an attempt to keep it out of the public eye, because there has been no attempt to get this investigation started even though it is a matter of such vital concern to us here, and especially to the women who work in that office. I would ask you to investigate this as to whether this is a breach of our privileges here in the House.

2:10 p.m.

MEMBERS' RIGHTS

Mr. Speaker: I think this might be an appropriate time to announce a ruling as a result of events of Tuesday last and, more particularly, the two events that have taken place today.

Getting back to Tuesday last: Arising out of the allegations made in the House, I agreed to look into the matter more closely, although I am sure the members appreciate that such is not my responsibility. I must point out once again that the Speaker has no authority or obligation to investigate and report back to the House on any matter.

The member for Sudbury East (Mr. Martel), as he has done before, expressed the opinion that if a member feels strongly that any member, be it a minister or not, has misinformed the House, he should have the right to say so and that the Speaker should decide whether the member in question has in fact misled the House and, if so, insist he withdraw the statement.

It must be understood that even the allegation that a member has not told the truth is in itself a serious breach of parliamentary precedent. The whole system of Parliament is based on the assumption that members are all honourable members, and members must accept the word of others. Such an allegation not only is not a matter of privilege but, as stated, is a serious breach of parliamentary practice.

A member may seek to correct the record. He may raise it in question period. He may deal with it in one of the major debates or in consideration of the estimates. If he or she sincerely believes the minister's statement to be incorrect, there are many ways of putting this point across without breaking the rules of Parliament. Just as an example: "The minister has been misinformed," or "The minister is mistaken in his facts."

Finally, I want to repeat what I said to the

House recently, that privilege pertains only to those special rights that the House and its members enjoy which other citizens do not. I hope that makes my position very clear.

[Later]

Mr. R. F. Johnston: Mr. Speaker, this has to do with your clarification of a point of privilege. Earlier this afternoon I raised the issue of Dr. Harkins's terms of reference not being established, and you ruled that this was not a point of privilege.

I just wanted to indicate that although you thought this was not a particularly useful thing for me to have done, at 1 p.m. I phoned to confirm that there were no terms of reference, at about 2:05 or 2:06 p.m. I raised my point of privilege and at 3 p.m. I heard from Dr. Harkins that he has now had his terms of reference approved. That is the fastest response I have ever had, and I think points of privilege are therefore a very useful thing, whether they are quite within the rules or not.

Mr. Speaker: The power of suggestion can work wonders.

VISITORS

Hon. Mr. Gregory: Mr. Speaker, prior to statements I would like to draw the attention of the members to the presence in the House of three distinguished former members: Mr. Bernt Gilbertson, Mr. John Root and Mr. Don Ewen.

Mr. Wildman: On a point of privilege, Mr. Speaker: I am sure the former member for Algoma, Mr. Gilbertson, would want me to assure members of the House that he has samples of his very good maple syrup in case anyone is interested in obtaining some.

Mr. Speaker: That sounds almost like a commercial.

STATEMENTS BY THE MINISTRY

ASSISTANCE TO BEEF PRODUCERS

Hon. Mr. Timbrell: Mr. Speaker, honourable members will recall that three weeks ago the member for Chatham-Kent (Mr. Watson) raised a question in this House about a major cattle dealer in southwestern Ontario who got into serious financial difficulty, affecting four community sales operations and numerous producers. As a result, my ministry was forced to close the livestock community sales operation in Chatham by suspending its licence. My staff continues to sift through all the facts in this case, and a police investigation is also under way.

The matter brings to the fore the general issue of financial protection for beef producers. This issue has been discussed in the cattle industry and in government for some years, although consensus has been lacking in the industry on how to address this problem. I believe the seriousness of the recent experience in southwestern Ontario demands immediate action to prevent another such occurrence, which could do harm to untold numbers of cattle producers.

As I mentioned in the House on May 6, I met with representatives of the Ontario Cattlemen's Association in April and discussed financial protection for the industry. Since that time we have had further meetings with the cattlemen's association and with representatives of the Ontario Stock Yards, the commission firms who act as sales agents at the Ontario Stock Yards, livestock community sales operators, meat packers and slaughterhouse operators.

I am pleased to announce today that my ministry, after these discussions with the beef cattle industry, has completed a plan that will provide protection for producers against default by buyers. The beef cattle financial protection program will go into effect on August 1 of this year and will include the following:

Compulsory licensing of all purchasers of slaughter and feeder cattle with the exception of producers who sell to other producers in the normal course of their farming operations; a provision requiring that all payments be made within 48 hours; establishment of a fund which would provide compensation for sellers of beef cattle in cases where there is a default on payments by the licensed purchasers; and compensation for any seller of 90 per cent, as recommended by the industry, of any losses resulting from payment default.

To accomplish this, cabinet has approved new regulations under existing legislation. The regulations made under the Live Stock and Live Stock Products Act establish the licensing system, and those under the Farm Products Payments Act set up the compensation fund.

We will require compulsory licensing of all those who, under the legislation, are defined as livestock dealers. These are commission firms operating at the Ontario Stock Yards; community sales operators under the Live Stock Community Sales Act; meat packers under the Canada Meat Inspection Act; slaughterhouses operating under the Ontario Meat Inspection Act; and all country dealers.

The annual licence fee will be \$25; and proof of financial responsibility, such as a financial

statement, will be required before a licence will be issued.

The compensation fund will be established by payments of 20 cents per head by all parties to a transaction. On a direct sale to a packer, slaughterhouse operator or country dealer, both the seller and the buyer will each pay 20 cents per head towards the fund. On consignment sales, each of the seller, the selling agent and the buyer will pay 20 cents a head to the fund.

We estimate that these contributions will generate about \$1 million by the end of the first year of the program's operation. I estimate the fund will grow sufficiently to enable us to reduce or to remove the requirement for the 20-cent contribution in a few years. In any event, we will review the program with this in mind at the end of two years of operation.

It is our intention to administer this financial protection program from the office of my ministry's quality and standards division. The fund will be administered by a board established for that purpose and will consist of representatives of the cattlemen's association, the Canadian Meat Council, operators of community sales and the Toronto Livestock Exchange as well as representatives of my ministry which will include private citizens.

In our discussions with the industry, suggestions have been made that some sectors of the industry should be exempted from contributing to the compensation fund in return for other sound and comprehensive financial guarantees of payment to producers which would equitably cover their entire sector of the industry. I will consider such proposals but, because of the urgency of the whole matter, the regulations will have to affect all concerned until an acceptable alternative is developed which covers all participants in any one sector of the industry.

While the new regulations I have mentioned cover only slaughter and feeder cattle, these do form the bulk of the dollar sales of Ontario livestock. However, I have told the industry that we will bring in new legislation in the fall that will allow for expansion of the program. In the near future, I will be asking those representing other livestock groups if they are interested in having a similar program covering the sales of their particular class or classes of livestock.

Mr. Stokes: How does a Minister of Agriculture and Food lose weight?

Mr. Swart: He tries to live on a farmer's income.

Hon. Mr. Timbrell: Is that a supplementary?

To start up the new program, my ministry will make the maximum grant under legislation of \$25,000 to the fund. Existing legislation also permits us to provide an interest-free loan of up to \$250,000 and to guarantee further loans from lending institutions for up to \$1 million to cover any deficit in the fund.

This program will cover all transactions that take place on or after August 1, 1982.

In the next few days, we will be advising producers, others in the industry and the public about the beef cattle financial protection program by means of letters, print and electronic news releases, posters and brochures. We will be mailing, as soon as possible, a full explanation along with applications for licensing to all those who must be licensed under the program by August 1.

We are entering this field to provide an umbrella of protection for the beef cattle industry, which has already been buffeted by financial difficulties. I believe the beef cattle financial protection program will provide the protection our beef producers deserve while still preserving the integrity of the beef cattle marketing system in this province.

2:20 p.m.

GOVERNMENT CONSTRUCTION

Hon. Mr. Wiseman: Mr. Speaker, in keeping with the overall thrust and initiatives found in the Treasurer's budget on May 13, it is my pleasure to announce to the House that the Ministry of Government Services will be receiving an additional \$9.9 million in 1982-83 under the auspices of the Board of Industrial Leadership and Development.

My ministry will be stimulating the economy in virtually every corner of the province by embarking on major alterations in the area of accommodation for our client ministries, by providing much-needed repairs to existing facilities, by accelerating construction starts and by providing through these projects 575 much-needed jobs.

The results of this additional funding will be seen in Penetang, Gravenhurst, London, St. Thomas, Picton, Wheatley, Thunder Bay, Arthur, Toronto, Brampton, Ottawa and elsewhere in the province.

Added to the \$365.7 million in expenditures already planned by my ministry, it is our firm belief that this further economic stimulus will be of great overall benefit to all the people of the province.

INDUSTRIAL MINERALS PRODUCTION

Hon. Mr. Pope: Mr. Speaker, it is my pleasure to bring the House up to date on my ministry's small rural mineral development program, which I announced late last year. I know, and I am sure the honourable members know, just how vital industrial minerals are to our province and our country.

As members will recall, I announced last year that through the Board of Industrial Leadership and Development my ministry is offering a total of \$7.7 million to encourage both the start of new employment opportunities and the expansion of industrial minerals production in Ontario. We are offering up to 25 per cent of approved capital costs for projects involving selected minerals.

As well as strengthening Ontario's mining industry, the new investment in industrial mineral ventures encouraged by this program will provide long-term employment opportunities for skilled workers throughout our province.

Several companies have been preparing proposals asking to participate in this program. Today, I am pleased to announce that BILD has agreed in principle to offer grants to two companies, Canada Talc Industries Ltd. of Madoc and Steep Rock Iron Mines Ltd. of Perth. Canada Talc will receive an amount of up to \$675,000, and Steep Rock will receive up to \$1.35 million.

Canada Talc, which has been producing talc and dolomite products since 1896, proposes to expand its production facilities. The company plans to invest \$2.7 million, assuring continued employment for its 23 workers and providing enough work for an additional 14 employees by the end of this year. Canada Talc also plans further expansion in the mid-1980s.

As well as the new jobs, Canada Talc expects its sales revenues to more than double to nearly \$2.7 million, while production tonnage will go up 44 per cent.

Steep Rock Mines in Perth also expects to create more jobs with a \$5.4-million expansion of its calcite plant. The plant currently produces a range of products from white aggregates to finely ground industrial fillers. Its raw material is the high-quality white crystalline marble from the company's quarry at Tatlock in Lanark county.

After careful study, Steep Rock decided that Canadian and US markets could absorb additional quantities of its products. As a result, company officials decided to double the plant's fine and medium-fine grain products capacity.

The present plant at Perth directly employs 50 full-time people. The quarry also provides seasonal employment and substantial year-round work for haulage contractors. Employment is expected to grow substantially after the expansion, both at the plant and in the quarry.

I am sure I do not have to tell the honourable members how important these jobs are to Ontario during these times of unemployment, especially in the mining industry.

As I have said, industrial minerals are vital to our province. The seed money made available through BILD and the small rural mineral development program will encourage industrial mineral developments in Ontario.

ORAL QUESTIONS

HYDRO EXPORTS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of the Environment. The minister is aware that yesterday, in the standing committee on resources development, he instructed some of his back-benchers to vote against a motion from our caucus to have an open hearing on the General Public Utilities matter. I was intrigued with some of the statements the minister made with respect to the environmental hearing process that has been established in this province. He said things like this:

"There are other avenues of public participation and decision-making. Let us not assume that the only avenue is through public hearings, because that is a terribly naïve interpretation." He said, "Let us not get sucked into a simplistic interpretation of their importance," referring to open public hearings. He said, "I do think we run some risk of placing excessive or . . . exclusive emphasis upon hearings as a method of public participation."

Why is the minister responsible for the environment, and presumably responsible for the integrity of the environmental hearing legislation in this province, now turning his back on that legislation and not fighting for an open public hearing on the GPU matter?

Hon. Mr. Norton: Mr. Speaker, first in response to what I suppose one might describe as the preamble by the Leader of the Opposition, at no time have I purported to instruct members of the committee. When before a committee of the Legislature, my attitude is that I and the officials of my ministry are in the hands of the committee. When called upon by the committee to offer an opinion, I do so.

In that instance, I think it is very incorrect and unfair on the part of the Leader of the Opposition to suggest that I would even purport to instruct members of the committee as to how they might vote. There is a difference between instructing someone and sharing with him one's point of view on a given subject, it seems to me.

In answer to the other part of the question—in essence I guess it was the question—which related to the comments I made, it is unfortunate that the honourable member was not there and that it is the wont of some people to seize upon certain words which may give rise to a sensational interpretation out of context.

I was responding to a very specific set of facts. I was responding to a situation in which there had been a number of requests or suggestions made by individuals who, in spite of the legal opinions that I, my colleague the Minister of Energy (Mr. Welch) and Ontario Hydro have received from three independent lawyers indicating that our environmental assessment legislation is in fact not operative in this particular situation by virtue of the doctrine of primacy—which I presume the member understands from his legal background—were saying a hearing ought to be held under that act anyway.

The point I was trying to make was that, when given the opportunity to be present before the National Energy Board at a public hearing and to make their case, some of those same individuals chose not only to boycott it themselves but also to urge me to boycott it as a matter of protesting something or other. Now they are turning around. It may be they view their strategy as having been erroneous; if that is the case, I cannot rewrite the constitutional law of this nation to make a correction for an error in judgement of certain individuals who did not take advantage of a hearing when it was available to them.

Mr. Peterson: Will the minister just tell us clearly what his excuse is? Is it the Constitution? Is it because there is going to be an economic penalty for not proceeding immediately? What is his excuse for not having a hearing? Is it because he has three legal opinions? Is it because he does not like the hearing process? Is it because he does not have enough influence in cabinet? Has he been mugged in the corridors of power? What is the reason? Is it because he has been overpowered in this whole matter? The minister is not speaking up. The arguments he made in committee yesterday were fatuous and he knows it.

Hon. Mr. Norton: Talk about being fatuous, Mr. Speaker. I would suggest, with great respect, that the Leader of the Opposition probably has not even read in Hansard what I said in committee yesterday.

Mr. Peterson: I have it right here.

Hon. Mr. Norton: Well, he'd better read it a little more carefully.

Mr. Nixon: Either fatuous or asinine, one of those.

Hon. Mr. Norton: He's both. I find it difficult to make the distinction in his case.

Mr. Speaker: Never mind the interjections, please.

2:30 p.m.

Hon. Mr. Norton: What was the question the member asked?

Mr. Peterson: I want to know the minister's latest excuse. He has six or seven excuses on the go.

Hon. Mr. Norton: I am not making any excuses whatsoever. For example, a year ago, I think this House indicated a certain approach when it took its position on the consolidated hearings legislation, which is now the law of this province. The purpose of the consolidated hearings legislation was to try to avoid repeated, sequential hearings on a given matter. If one accepts the principle of that legislation, one can also surely understand that principle might well apply in other situations.

Our legislation is inoperative in this particular case. If that were not so, obviously my position would be quite different. Both Dr. Parrott and I took a position on this. It is not inconsistent with what I am saying now. The only thing that is different is that now I have the benefit—as he did not, nor did I earlier—of an interpretation of the law of this land as it applies to this particular case.

As I said yesterday, there are those who feel that, even after there has already been a public hearing, somehow the only way to deal with the matter and to prevent further public participation in the decision-making process is through holding further public hearings. All I am saying is I think that is a very narrow interpretation of public participation.

I even ventured to suggest yesterday, and I will do it again today if it helps the member at all—it may give him something further to react to—that I suspect the base of public participation in the decision-making process is broader through, for example, the people who are

writing letters to members and to us expressing their views on the subject, than it would be in a public hearing. I am talking now about a further public hearing, bearing in mind there already has been one; there has been a public hearing, do not forget that.

I venture to suggest I could list for members 70 per cent of those who would participate in a public hearing. I could even write the script for them, because I know what their views are already.

Mr. Foulds: Mr. Speaker, can the Minister of the Environment tell us, in view of the fact that next week is National Environment Week, what he is going to do to demonstrate to the people of Ontario that he, as a cabinet minister, has some commitment to the environment rather than merely spend money on advertising to tell people they should be concerned about it?

What is he going to do to reverse the attitude that he has doublecrossed and back-stabbed Harry Parrott, who made a firm commitment in this House to the member for Ottawa Centre (Mr. Cassidy) to hold environmental assessment hearings on this matter? Why is he not, as a cabinet minister, going to hold an environmental assessment hearing and use the evidence that comes before it to present to cabinet, since it is cabinet that has to give final approval to the matter in any event? Why does he not open it up to the public? What does he have to hide?

Hon. Mr. Norton: Not a thing. The very suggestion that I would ever in any way doublecross or stab my former colleague in the back is absolute nonsense. I respect the stand he took and it is consistent with the stand I took. In fact, I stood in this very House and said I supported that point of view.

The thing the honourable member is over-looking, because it is self-serving for him to do so at the moment, is that at that time neither the former minister nor I, when I first responded to that question in the House, had the benefit of the legal—

Mr. Foulds: Table the legal opinions.

Hon. Mr. Norton: They are tabled, for goodness' sake. They were tabled three weeks ago in the House. Why doesn't the member read them? At least the Liberal researcher has read them, and I might say he has not disagreed with them so far.

As to when I am going to take my stand, I have taken my stand. The member will know what it is, in due course, when I and my colleagues in cabinet, pursuant to the traditions

of parliamentary democracy, have made a collegial decision and announced it to the House.

Mr. Elston: Mr. Speaker, it is interesting to note that the Minister of the Environment, who has the privilege of protecting the environment of this province, has decided to let the National Energy Board, a federally constituted body, hold the only—

Mr. Speaker: Supplementary, please.

Mr. Elston:—public hearing that is ever going to be held in this particular matter.

This government has known for over two years that this export has been proposed, and the minister has been questioned in the House on this issue since last November. Does the minister not agree that it is the height of hypocrisy for him to suggest now that it is too late to hold a hearing, when it has been his government alone which has continuously refused to consider the question of holding hearings?

Let us not use the Environmental Assessment Act as a smokescreen for this. We know he and his cabinet colleagues have the opportunity of holding hearings at any time to provide advice to cabinet. We think the minister needs that advice—

Mr. Speaker: Question, please.

Mr. Elston:—and we think he ought to hold those hearings.

Hon. Mr. Norton: Mr. Speaker, since the question was, "Do I not agree?" I guess the answer is, "Absolutely not." I do not agree with that interpretation. I do not think the honourable member is going to persuade me to feel otherwise.

Mr. Kerrio: The Americans know what you are doing.

Hon. Mr. Norton: In view of the subsequent commentary in the question, I might add that I was not suggesting yesterday that the committee ought not to hold a hearing if it wanted to. I was arguing it ought to proceed with my estimates since I have been ready to proceed with them for two months. The opposition could not get their act together and decide when they were ready to go ahead.

Mr. Breithaupt: We waited for the budget to come out.

Hon. Mr. Norton: I recognize that the Liberals were ready to go. It was the third party that was not. When I was ready and we finally commenced the estimates, they wanted to debate whether or not to bump the estimates and hold a public hearing.

They have had two months. In fact it was over a month ago that this Legislature referred the Ontario Hydro report to the committee. To the best of my knowledge, during the debate no member of the opposition suggested to the chairman of the committee that they convene to hold a hearing last month, when they could have done it, rather than bumping my estimates again for another month or so.

After all, I and the officials of my ministry have certain heavy responsibilities with respect to the environment in this province. We have better things to do than sit around and twiddle our thumbs while committees try to get their act together and decide whether they are going to go now or next month, or should have gone two months ago.

Hon. Mr. Davis: Let the bells ring or not ring—

Mr. Speaker: Just before proceeding with the second question I would ask the co-operation of all members. I ask particularly the members of cabinet to limit their answers. We have taken 15 minutes to answer one question.

Mr. Peterson: Mr. Speaker, I was waiting for you to congratulate the Premier on his new-found prominence. I congratulate him on the person he is now being photographed with.

Hon. Mr. Davis: Jealousy will get you nowhere.

Mr. Peterson: I admit it, I am little jealous. But I should say also that there is a down side. As I was walking up here today I met—

Mr. Speaker: Is that a question? Second question, please.

Mr. Peterson: I have a question. I just want to tell the Premier, if I may, that as I was walking up here I ran into Hugh Hefner looking for some guy by the name of Bill Davis.

Mr. Nixon: He wants him for a centrefold.

Mr. Breithaupt: It is going to be called "A Bedtime Tory."

Mr. Peterson: Frankly I am proud of him.

Mr. Speaker: Now for the question.

Mr. Peterson: None of us ever thought he had it in him. That is the truth, Mr. Speaker. We are proud of him.

2:40 p.m.

UNIVERSITY TUITION FEES

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Education. The minister is aware that a large number of universities in this province are going to put up their tuition fees

very substantially for next year, up to 12 per cent. She is also aware that the university and college system has been hit by a very high round of taxation as a result of the last budget; I refer specifically to the seven per cent tax on meals, which will affect residence fees as well as fees in various cafeterias. In addition, there is a sales tax on building materials, school supplies and a whole new round of things that will substantially increase the cost of obtaining higher education in this province. The minister is aware of that.

Has the minister done any studies on what that will do to accessibility? What point of view did she take to the Treasurer (Mr. F. S. Miller) in the preparation of this new round of tax increases?

Hon. Miss Stephenson: Mr. Speaker, as a result of an investigation that has been initiated and carried out by Dr. Paul Anisef, it would appear that tuition fees and costs are minor factors in making the decision to acquire a post-secondary education. There are many other factors involved. The lack of knowledge of the availability of student assistance programs was considered to be a factor in the past. We have found it is not such a great factor as was mooted at first.

It is believed now that it is primarily the attitude within the peer group and the family to the value of post-secondary education and the value of that kind of educational experience in the development of a life career that is most critical in the decision the young person takes. The honourable member knows full well that the increase in tuition fees is a result of a recommendation three years ago by the Ontario Council on University Affairs. It is in line again this year with the percentage increase in the grants to universities for operating purposes. The Ontario student assistance program has been increased annually in order to meet the increased costs for students.

I remind the member that the provinces of this country have been waiting for three years for the Secretary of State to come to a decision about whether to improve the Canada student loan program. It is our understanding that he may do it at some time in the near future, but the near future for the Honourable Gerald Regan would seem to be the next decade. I remind the members that the contribution of the federal government to student assistance in this country over the past decade has dropped from 50 per cent to 22 per cent.

Mr. Peterson: I gather the minister's response is that while waiting for a response from the

Secretary of State, she decided to whack the students again, particularly at a time when a large number cannot find summer employment this year. She is adding tuition increases, which she approves of, and a whole new round of taxation. Those students who are in residence will have to pay tax on virtually all the food they consume, as well as taxes on school supplies.

The minister has not addressed my question. Does she not feel those extra costs are going to impair accessibility? It is going to be particularly hard on low-income students, and the minister should be fighting to make sure that does not happen to our university system.

Hon. Miss Stephenson: I have to tell the member from London, who should have some affiliation with the university system, that again this year the applications to universities have increased dramatically. In spite of all the concerns he has expressed recently and in the past, the students believe this is an important and valuable activity for them. With the availability of probably the best student assistance program in Canada, it does not appear that Ontario students are deterred from seeking post-secondary education for the reasons the member states. However, I would ask him if he would use his good offices to persuade the Secretary of State to begin to consider the plight of the students in relation to Canada student loans.

Mr. Cooke: Mr. Speaker, I would like to ask the minister if she can make a commitment to the House that the Ontario student assistance program will be not only amended to reflect the increased tuition costs, but amended and increased to reflect the increased monthly and weekly costs associated with the tax burden put on students as a result of her government's budget of May 13?

Hon. Miss Stephenson: Mr. Speaker, the Ontario student assistance program has already been amended in favour of the students this year and I do not believe the impact of the specific tax related only to food will be of particular concern to students.

Mr. Cooke: Food, books, supplies.

Hon. Miss Stephenson: It is not on books.

Mr. Wrye: Mr. Speaker, to go back to the original question, I know this question was raised last week and I want to come back to it because of the statistics that are still coming out.

What representations were made to the Treasurer regarding the estimated impact of the budget on universities and colleges? These estimates range from that of the Council of

Ontario Universities of 1.5 per cent, to an estimate now provided by the Ontario Confederation of University Faculty Associations of 1.75 per cent.

What is going to be the impact on the universities and colleges which felt they got out from under when they were given 12.2 per cent earlier this year, now that they find that 12.2 per cent is barely 10.5 per cent? What impact does the minister estimate the budget is going to have on those institutions and, as she alluded the other day she has made some statements on the road, when is she going to make a statement in this House giving in detail what the government's response is to the final report of the Fisher committee?

Hon. Miss Stephenson: Mr. Speaker, I hope I do not keep the honourable member in a state of suspended animation for all of the rest of his existence. I would be delighted to, but I will not do it.

The estimates which are now being compiled by the Council of Ontario Universities on a more accurate basis than its initial one will be transmitted to me within a few days. At the same time, I have asked the Ontario Council on University Affairs to look at the estimates and we have already had some discussions within the executive committee about this matter.

I will tell the member for Windsor-Sandwich that it will not be too long before he will have the benefit of the concerted attention of the ministries of Education and Colleges and Universities on the whole range of educational issues that have been studied over the past two years.

TAX BURDEN

Mr. Foulds: Mr. Speaker, I have a shopping-bag question for the Premier. Although the government has not yet—

Hon. Mr. Ashe: What happened to Mel? They took your job away, Mel; relegated to the back bench.

Interjections.

Mr. Speaker: Order. I am sure this is a very important question.

Interjections.

Mr. Speaker: I just draw the members' attention to the clock; the member for Port Arthur.

Mr. Foulds: Let me preface the question by saying we are very happy to have Mel Swart as a member of our caucus and we recognize jealousy when we see it. Nevertheless, I have a very important shopping-bag question for the Premier.

Although the province has not yet extended the sales tax to food, how can the Premier and his Treasurer (Mr. F. S. Miller) justify the gouging of families on their grocery bills by extending the sales tax so that it will be \$15.7 million more to the families of Ontario on detergents, \$10.5 million more to the families of Ontario on toilet tissue, and \$7.7 million more for the families of Ontario on toothpaste? How does the Premier justify that kind of gouging on the family grocery bill in Ontario?

2:50 p.m.

Hon. Mr. Davis: Mr. Speaker, I really thought that if the honourable member was going to do this he could have been somewhat more creative than to bring just three items, all of which are certainly used in our household. I think I can identify them from this distance. I do not know whether he has no-name brands there or not. I cannot tell that from this distance.

I would only say to the member, when he made some reference that the government or the Treasurer has not yet taxed food, I think I recall the Treasurer saying very specifically—and if the member did not understand it, I will reiterate it for him—this government has no intention of putting sales tax on food, this year, next year, the year after, the year after—are we up to 1986 yet?—the year after, or whatever time frame he would like; no intention whatsoever.

Mr. Martel: Why don't you go to the polls now?

Hon. Mr. Davis: Pardon?

Mr. Speaker: Just never mind the interjections, please.

Mr. Martel: Why don't you go to the polls now?

Hon. Mr. Davis: It might surprise you.

May I suggest to the member that I could have brought him another bag of articles that might be purchased at a grocery store—although perhaps at some grocery stores they would not have all of those articles—and I could have included in that plastic bag certain articles we all use that were already subject to tax.

I think it is fair to state that when the Treasurer presented his budget and as he explained it, I think in a way that was acceptable to all members of the House, he acknowledged that he was in fact extending the tax base. There is no argument about that and one can debate whether, from the member's perspective, this is an appropriate way. That is a fair discussion and we have never quarrelled with that.

At the same time, as one looks at the additional revenues that are being provided through this tax base, one must also assess what we hear from that party in particular and sometimes from the other, which is that on the question of the level of government expenditures we are not spending enough.

If I interpret correctly the question the Leader of the Opposition (Mr. Peterson) asked just a few minutes ago, while he talks about restraint on one hand, he would urge us to give far more to the universities on the other hand, which is typical of the member's party. His party would spend this province into bankruptcy without any assessment at all of how we are to pay for it.

Mr. Foulds: In view of the Premier's commitment today not to extend the sales tax to food, may I remind him of the commitment some four years ago to plant two trees for every one, which has not yet been lived up to? May I remind him of the slogan of March 19, "Davis can do it"? He sure did and the Treasurer did it to the people of Ontario this year.

Mr. Speaker: And now for the question.

Mr. Foulds: May I ask the Premier, how does it feel to be the Premier of the province with the meanest and the most niggardly attitude towards exemptions of the sales tax, when Prince Edward Island can exempt toothpaste, babies' needs and personal hygiene products, and Nova Scotia can exempt household cleaning goods, and Manitoba can exempt toothpaste and other essential goods? How does it feel to be the Premier of the province that had a magnificent base of revenue that this government has so squandered that it now has had to tax these items?

Hon. Mr. Davis: Mr. Speaker, I was not sure whether the member was asking me or his favourite friend in the gallery. When he is asking questions I can never tell whether he is speaking to me or to somebody else.

Mr. Foulds: You are down there and that is who I was looking at.

Interjection.

Hon. Mr. Davis: I say to the member for Oshawa (Mr. Breagh) to behave himself. We are all taking a lottery over here. We expect he will be the one who is going to be pressured into resigning his seat. It is becoming very obvious to us, very obvious to us. We prefer that to the member for Beaches-Woodbine (Ms. Bryden).

Mr. Foulds: You are feeling the heat, are you? Getting into personal attacks.

Mr. Speaker: Please address the question.

Hon. Mr. Davis: Mr. Speaker, the acting leader, or the leader of the New Democratic Party who is an actor, really started out with a bit of rhetoric in the preface to his question.

I would say very simply, I remember very well the commitment with respect to two trees for every one. I expect by the time the period elapses, it will probably be three or four trees for every one. There is just no limitation.

I would say this to the member for Welland-Thorold (Mr. Swart), he will want to put that with his memorabilia. Send it over to him. I hope that was a domestically produced brand. Is it? Did the member make that assessment?

It is very simple for the member to talk about sales taxes and exemptions in other provinces. I think he should remember the level of sales tax in some of our sister provinces; he might even take a look at the recent sales tax in the province of Quebec.

I will give him a bit of a challenge: He can ask my wife, who does the shopping, whether she would rather pay seven per cent on a broader range of items or nine per cent on the items that were then being taxed. The economics of it are very clear.

Mr. Peterson: Mr. Speaker, how can the Premier and other members of his cabinet always stand up and say, "I assure you that there will be no tax on food," when in fact there is a tax on food? We have just established that they will be taxing food in university residences; they are taxing it in school cafeterias. Does the Premier know, for example, that there is now a line in the Brantford Collegiate Institute that says, "Residents of the reserve pay no sales tax," and the kids are getting the Indian kids to go in and buy their chips? Does he know what his tax policies are creating in this province? He is taxing food and he should admit it.

Hon. Mr. Davis: Mr. Speaker, I guess if the only creative approach of the Leader of the Opposition to this is to try to get me to accept the fact that we as taxpayers are paying tax on meals, that is not new. If he wants to argue whether some meals should be taxed and some should not be taxed, that is fine. But I have always been able to draw a distinction between a tax on prepared food or meals and a tax on the groceries my wife purchases in the store. If he cannot draw that distinction I can only assume that because of his business orientation, his membership in the young presidents, he has spent most of his life eating out at expensive restaurants while I have spent my life eating at home.

Mr. Foulds: Mr. Speaker, may I remind the Premier—

Interjections.

Mr. Speaker: Order. It is all very well for the leaders, who have the mandatory questions, to ask those questions. They should not be interrupted by members of their own caucus.

Mr. Foulds: Mr. Speaker, does the Premier not realize that it may be very easy for his wife to say that she would rather spend the sales tax on an extended number of items, considering the Premier's income and considering the income of the members of the Legislature generally, whereas it is much harder for people living on \$15,000 or less to accept the reduction of the exemption on those essential goods?

Does the Premier not realize that what his tax steps have done is to add \$2.7 million more for dishwasher detergent; \$7 million more for laundry soap and bleach; \$4.3 million more for fabric softener; \$3.7 million more for polishes and waxes; \$3.6 million more for scouring pads; \$8 million more for facial tissues; \$16 million more for plants, flowers and shrubs; \$6.3 million more for toilet soap and shaving soap; \$2.1 million more for shaving cream; \$6.5 million more for personal deodorants; \$4.9 million more for single-issue magazines, and \$4.6 million more for educational supplies?

That does not take into account the additional revenue he will get from items such as smoke alarms, household pets and conservation products. How does the Premier feel about imposing that tax on families?

Hon. Mr. Davis: Mr. Speaker, can I just make this observation? I do not want to be misunderstood. I think if the honourable member did the mathematics carefully, he would find that my assessment, and I have not really researched it, is probably quite accurate.

The point I was making to the member was that if a person, whether low-income, middle-income or of whatever income, had a choice between paying seven per cent with the extended base—and no one is going to argue; our estimate is that this probably means in total tax, this and others, around \$150—and having nine or 10 per cent on the existing sales tax base, I think the mathematics would work out very simply.

I would say to the member when he starts making comparisons that he is quite right: Prince Edward Island may have some exemptions, but if my reading is correct it has an 11 per cent sales tax; Nova Scotia has a 10 per cent sales tax; New Brunswick has an eight per cent

sales tax, and Quebec now has a nine per cent sales tax.

When starting to use the base and to involve a little bit of editorial comment, will the member please do it from a common base? He says detergents will be \$2.3 million more. On what base? What is the impact of this in terms of amount to the average individual or family? The member has his set of figures; we have ours. It amounts to about \$150 a year, if my memory is correct and I think it is.

3 p.m.

POLICE ROLE IN STRIKES

Mr. Foulds: Mr. Speaker, I have a new question for the Solicitor General. I would like to ask him about the role of the police in handling labour disputes and strikes. Surely the Solicitor General would agree that the role of the police in such situations should be one of absolute neutrality.

Given the very disturbing testimony of Ontario Provincial Police Constable Lloyd McClure before the Ontario Labour Relations Board yesterday that the OPP and Metropolitan Toronto Police knew that a security company had planted a spy on the Automotive Hardware picket line from the beginning of the strike, does the Solicitor General think it appropriate that the police felt it necessary to notify the company when the union began asking questions about this matter but did not feel it appropriate to notify the union from the beginning that the spy was there, when they knew he was there and was likely to cause difficulty in the labour dispute?

Hon. G. W. Taylor: Mr. Speaker, on the question from the member for Port Arthur, the information was given—not as he states it—before the Ontario Labour Relations Board, which has an ongoing hearing that has been adjourned until, I believe, August 9, while this particular matter is under review by the board.

As to the procedure followed in any situation where a company is employing, if one wants to call them "security people" or "undercover agents" on a particular job, and where the registrar of that particular piece of legislation is informed, by whatever source, of an inquiry, whether or not there is an undercover agent, the policy is to inform the employment person that there has been an inquiry about a particular named individual.

That is done to protect that individual from anything that may happen to him when participating as an undercover operative in an undercover situation. It is not to protect the employ-

er, and it is not to protect the union. It is not to take sides with anybody, but to inform the individual that there has been an inquiry about a licensed investigator who may be carrying out some duties in his particular employment capacity.

Mr. Foulds: Does the minister not agree that bona fide members of that trade union should have equal access to information as does a spy or an agent, as he calls him? Does he not think that is a basic principle in law?

In view of the disturbing evidence Constable McClure gave, does he not think that there have been occasions in the past when such spies have caused trouble on the picket line—and I dare say that trouble has resulted in difficulties for other individual members of the trade union—and that it is appropriate that trade union members should receive the same kind of concern from the police and the ministry that the spy or the agent has?

Will the minister table in the House, lists of strikes, employers involved, securities companies involved and unions involved, where in the past there have been agents or spies on picket lines that the OPP and the ministry have known about?

Hon. G. W. Taylor: The police who are investigating in this instance are not the ones who are favouring either side in the matter.

The situation evolves whereby, if there is an inquiry made as to whether an individual is a licensed investigator, we provide that information, be the inquiry from an employer, a company or a union individual. We provide them with the information as to whether the individual is a licensed investigator. Should that person inquire by letter as to whether there is a licensed investigator by a particular name, if the person making the inquiry provides the reason for the inquiry, we so inform that individual that there is a licensed investigator.

As I have stated, if we are aware, through a licensed investigating firm informing the registrar that it employs a particular individual, we so inform that company that there has been an inquiry as to whether the individual is a licensed investigator.

That is the extent of the information transferred back and forth. It does not touch on the position the person has been filling or the function he is carrying out in the matter.

Mr. Wrye: Mr. Speaker, when working men and women are taking part in a legal dispute and they find that certain pieces of information are

given to companies but similar information is not given to unions involved, and that this comes from the police, whose job, as the Solicitor General will well understand, is often to keep order during these disputes, which can become very emotional, surely the Solicitor General should understand that this role for the OPP or for any police force jeopardizes the very neutrality of the police which is held up by the Solicitor General.

Does he not agree that the neutrality of the police is jeopardized in these cases and that this often can lead to a delay in a peaceful resolution of these disputes?

Hon. G. W. Taylor: Mr. Speaker, on this matter it is the registrar under the particular legislation who has the inquiry, be it from a union or whomever. I think I am correct, but I may be mistaken, that in this situation it was the union that inquired as to whether an individual was a licensed investigator. That information is provided to anybody who makes the inquiry. That information was put forward; so there is no partisan position played by the registrar or, indeed, the OPP in carrying out an investigation. That information is available to whoever seeks it if he seeks it by way of written request explaining the reason for the information.

Mr. Mackenzie: Mr. Speaker, surely the minister is informed enough to know that when the request was first made to the police as to whether the party was a private investigator, the union was told, "Why don't you go and ask him?" They then proceeded to contact the company he worked for before they confirmed with the union that he was a private investigator.

Does the minister not understand that the impartiality of the OPP in a labour dispute has been seriously impaired as a result of what has happened in this situation? When will he give us a report on the ongoing investigation, if indeed that is what it is, that is being conducted by the OPP?

Is he prepared to bring in legislation amending the Private Investigators and Security Guards Act to prevent undercover activities of this type from going on in future labour disputes where the rights of workers are at stake?

Hon. G. W. Taylor: Mr. Speaker, on the last question there is a draft piece of legislation that will be coming forward in regard to the Private Investigators and Security Guards Act. That will be proceeding possibly in this spring session or in the fall, if it is introduced.

On the question that the honourable member

asked in regard to whether the police are impartial, the answer is yes, the police are impartial in these matters. Indeed, they provide the information as requested.

When one gets to a particular situation as to whether the information is provided to the company that employs the security individual, it is only provided to make that company aware there has been an inquiry made about one of its individuals as to whether he has been licensed. I do not think it is providing one party or the other with any balanced or imbalanced information. It is just informing them they have had an inquiry about a particular individual who has a licensed feature in regard to our legislation and therefore is provided with the information that they have had an inquiry. It is simply that. [Later]

Mr. Mackenzie: I rise on a point of privilege and to clarify the record, Mr. Speaker. In a supplementary question to the Solicitor General, I asked whether he was considering legislation to deal with the issue of security guards, and he said legislation would be coming down. We have seen the draft of that legislation, and my information is that there is absolutely nothing in it that deals with the specific situation we are dealing with here.

Mr. Speaker: Thank you. That is hardly a point of order; it is a question that more properly should be addressed to the Solicitor General.

Mr. Martel: It's certainly a point of view, though.

Mr. Speaker: Yes, I guess you could say that. 3:10 p.m.

PUBLIC OPINION POLLS

Mr. T. P. Reid: Mr. Speaker, I have a question for the Premier. It is my semi-annual question about the Premier's Bible, public opinion polls. I point out that in the Goldfarb poll for the Ministry of Treasury and Economics they asked whether the base of the seven per cent sales tax should be extended or raised to eight per cent and that the overwhelming response was to extend the base. Once again, the Premier and his government are following the polls.

Given the fact that my colleague has introduced a freedom of information act that we will be debating this afternoon, will the Premier show his good faith and commitment to such a principle by instructing his government ministers and agencies, boards and commissions to make available, tabled in this Legislature within

a month of their receiving them, public opinion polls commissioned by the ministries' agencies, boards and commissions and paid for by taxpayers' money?

[Applause]

Hon. Mr. Davis: Mr. Speaker, I am always impressed with the member for St. Catharines (Mr. Bradley). He pounds his desk with vigour. Inane interjections are his most significant contribution to the debates in this House. I notice he was the only one of his colleagues to do it.

[Applause]

Hon. Mr. Davis: Now, he gets a response.

Mr. Speaker: And now to the question, please.

Hon. Mr. Davis: In response to the member for Rainy River, who has asked me this question on other occasions, if he goes back to Hansard he will find what my response was the last time he asked. I thought it was reasonable, and the same response would apply today.

Mr. T. P. Reid: The Premier's response has been that these have been objective polls and have not been partisan. I draw to the members' attention that one of the polls said, "Is the Premier doing a good job in terms of the Constitution?" Those questions are hardly non-partisan and objective. They are certainly partisan.

I ask the Premier whether he will give this House a commitment, as they have in Ottawa and as Mr. Baldwin among others is urging, that we will have a freedom of information and privacy of information act brought into this House and dealt with before the end of this session at the end of June or July.

Hon. Mr. Davis: My recollection is that the position of the government of Canada with respect to certain public opinion polls has been far more fixed than the position of the government of Ontario. Incidentally, I have not read that poll. How did I make out with respect to my position on the Constitution?

Mr. T. P. Reid: Poorly.

Hon. Mr. Davis: The honourable member might share the figures with me afterwards. Quite frankly, I have not seen them.

The member wants me to assure him we will have a freedom of information and protection of privacy act as one or two statutes. He did not define that. He would be quite happy with two statutes as long as one did not conflict with the other. I will only say to the member that I cannot give him a commitment it will be by the

end of June. If he is saying the end of the session includes the fall, I think I probably would be able to give that commitment. I can tell him better in a couple of weeks.

TAX BURDEN

Mr. Cooke: Mr. Speaker, I have a question for the Premier on the provincial budget. The Premier has stated several times in the House that the effect of the budget on municipalities would be minimal. I am wondering whether the Premier is aware that in the city of Windsor it will cost \$1.25 million just for the sales tax and \$144,000 for the OHIP premiums. For the public board of education it will cost \$600,000 for the sales tax, and for the separate school board it will cost \$125,000 for the sales tax. Just for the county budget alone, the total will be \$82,500. For the county board of education it will be \$100,000 for the sales tax, and for the separate school board in the county an additional \$90,000.

How can the Premier and his government justify this massive shift in regressive taxation from the province on to the backs of the municipalities and therefore through to the property tax of the people of this province?

Hon. Mr. Davis: Mr. Speaker, I do not have the exact figures with me. I am sure the honourable member could give me a total of those figures, plus a total of all the budgets he has referred to. I had a little difficulty in following the example of the suggested costs to the public school board vis-à-vis the separate school board in Windsor, did he say? I found that a little hard to understand.

Interjection.

Hon. Mr. Davis: Anyway, I am not debating the figures with the member. He might send them to me, plus the total.

The only point I would make, which I made prior to this, is that one should take a look at just what the municipalities and the school boards say they may be paying tax on. I cannot tell from his figures, and I am sure he can share them with me and send them over to me, whether any of the city of Windsor's relate to increased costs with respect to the transit system or whether any of that relates to capital expenditures. Whether they have sorted that out from the other areas of the sales tax program, I cannot tell him. I can only tell him that on average we estimate the additional burden to the municipalities and the school boards as a percentage of the total will be in the neighbourhood of one per cent.

Mr. Cooke: I wonder whether the Premier is further aware that the city of Kitchener is going to experience a \$400,000 increase in its budget as a result of his taxation, and the Waterloo County Board of Education an additional \$450,000.

In talking to municipalities and individuals across this province there is a great deal of concern with this transfer of taxation. I would like to ask the Premier whether in his Blueprint for Economic Recovery he stated to the federal Minister of Finance the following: "All governments should agree that any major restructuring of the tax system should be subject to processes of prior public consultation and review."

In view of the massive shift in taxation in this regressive budget, will the Premier agree to refer the 1982 budget in its totality to a committee of this Legislature, to go out and have public hearings and talk to the people of this province about this budget and get public feedback?

Hon. Mr. Davis: I think that this is one of our obligations as members of this House. I am sure that we all have had feedback and that we do not need to structure a committee of the House to go out and get that sort of assessment. If the member does not have his assessment from his constituency yet, I will give him mine, and I expect mine would be relatively the same as his.

I realize the member has great intellectual capacities—I sense this every day in the House—but if he assessed very carefully the extent of what he terms the transfer of financial obligation to the municipalities and school boards as compared to the rate of increase in subsidies to both the school boards and the municipalities, if he looked at that and starts to use those exaggerated terms, I say to the member with the greatest of respect that he is all wrong.

There has not been a major shift. He is talking about perhaps less than one per cent. It is not a parallel at all to the decision made by the government of Canada with respect to the fiscal transfers under established programs financing. He really would have to stretch even his own imagination to draw such a parallel. I do not even think he, in his more lucid moments, would seriously make that suggestion.

Mr. Wrye: Mr. Speaker, while the Premier was considering his response to my friend's first question I did a little mathematics and came up with a total cost to the municipality of Windsor of \$2.1 million. Those estimates come not from politicians but from the bureaucrats within the municipality who provided them last weekend.

Considering that through the Premier's great consultative process the municipality has gone ahead and struck a mill rate and completed its budgetary estimates, I would like to ask where the municipality of Windsor, which took two months to cut \$2 million out of its budget, now is going to find another \$2 million at this stage of the game? Or is it the expectation of this government that municipalities all over the province should run deficits this year and then face the crunch next year?

3:20 p.m.

Hon. Mr. Davis: Mr. Speaker, I am sure the honourable member would not encourage the approach of the municipalities' running deficits. I am sure he would not be so irresponsible as to make that suggestion; certainly we are not prepared to make that suggestion. I am not saying for a moment that there is not some pressure on the municipalities and the school boards; it is there. But I would say, with great respect, it was there prior to the budget. I would say—

Mr. Wrye: That's right. Now it's impossible.

Hon. Mr. Davis: Let me finish. I did not interrupt the member. I was prompted to but I did not.

Mr. Wrye: You should have.

Hon. Mr. Davis: I should have and did not.

If the member will calculate it, it is some \$2 million on the total budget of the taxpayers of the city of Windsor for both municipal and school board purposes. If he assesses very carefully the increase in the amount of grant—and I do not know what the grant regulations provide for the local school board or at what rate of grant they qualify; I know what Peel and Moosonee are but, quite honestly, I forget Windsor's—and compares that to the suggestion that we have altered the traditional relationship with the municipalities in the degree of our support, I say he too would be stretching his imagination beyond that of credibility.

ACID RAIN

Mr. Elston: Mr. Speaker, I have a question to the Minister of the Environment. In spite of the fact that the minister will not hold public hearings on the proposed General Public Utilities export, we would like to believe the minister is sincerely concerned about acid rain. We understand there is an internal review now being conducted by his staff on that issue. Can he advise us what findings they have been able

to unearth as to how sincere and concerned the GPU also is about the topic of acid rain?

Hon. Mr. Norton: Mr. Speaker, I do not think I understand that question. If the honourable member is asking how sincere the GPU is about the problem of acid rain, frankly I have no way of knowing what the view of the GPU is about that.

Mr. Elston: The minister is probably unaware that GPU has put out a brochure called *Take the Acid Test*. One of the questions in the brochure is, "Is acid rain a problem in Pennsylvania?" and GPU answers, "The results of the studies to date are inconclusive and often downright contradictory." It goes on to state, "Without the sulphur and nitrogen brought down by acid rain, Pennsylvania would become barren of most vegetation."

Can the minister explain why the people of Ontario have to suffer the resultant impact of acid rain from the GPU export when GPU does not have even the most basic understanding about this very severe problem?

Hon. Mr. Norton: I would have thought one could have argued equally well that we have such a responsible public utility in Ontario providing electrical energy, one which has demonstrated publicly that it has willingly accepted a regulation which is going to require it to reduce its emissions by 50 per cent—exports or no exports—by 1990.

If the member looks at the brochures that GPU and other utilities in the United States put out, he might come to the conclusion, "Thank God we have such a responsible public utility in this province." That is not the position I would take, because I rather tend to take a tough stand vis-à-vis Ontario Hydro.

Mr. MacDonald: Tough grandstanding.

Mr. Martel: You're a pussycat.

Mr. Cassidy: A pink marshmallow.

Hon. Mr. Norton: I am very careful not to sing their praises. But the member is free to do that if he wishes.

Mr. Foulds: All you've done is doublecross Harry Parrott.

Mr. Speaker: Order.

Hon. Mr. Norton: By and large, the American utilities would prefer to believe the kind of thing which the member told the House was contained in this brochure. I am well aware of that. I am also well aware of the fact that they have funded, at great cost, advertising in newspapers suggesting Canada has ulterior motives for the

strong stand we have taken on acid precipitation. They are equally wrong in those conclusions. Their position is very self-serving.

The state of Pennsylvania, on the other hand, is one of our American allies on this subject. We have supported Pennsylvania in court actions in the United States, as well as the state of New York. I think the views of the GPU do not necessarily reflect the views of the state government in Pennsylvania.

NOTICE OF DISSATISFACTION

Mr. Speaker: I would like to take this opportunity to remind all honourable members that the member for Essex North (Mr. Ruston) has indicated his dissatisfaction with an answer by the Minister of the Environment (Mr. Norton) and that, pursuant to standing order 28(b), this matter will be debated at 10:30 tonight.

REPORTS

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Harris presented the following report and moved its adoption:

Your committee begs to report that it has completed its consideration of the annual report of the Workmen's Compensation Board for 1980 as instructed by the House on March 18.

Motion agreed to.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Mr. Dean from the standing committee on general government presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr18, An Act respecting the Japanese Canadian Cultural Centre of Toronto;

Bill Pr22, An Act respecting the City of Hamilton;

Bill Pr24, An Act respecting the City of Ottawa.

Your committee begs to report the following bill with certain amendments:

Bill Pr1, An Act respecting the City of London.

Motion agreed to.

MOTIONS

COMMITTEE SITTINGS

Hon. Mr. Gregory moved that the select committee on the Ombudsman be authorized to

sit next Monday afternoon, May 31, following routine proceedings.

Motion agreed to.

Hon. Mr. Gregory moved that the standing committee on social development be authorized to sit on the evening of Monday, May 31.

Motion agreed to.

3:30 p.m.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Gregory: Before the orders of the day, I wish to table the answers to questions 136, 137, 142, 160 and 161, and the interim answers to questions 143, 144, 145, 147 and 172 standing on the Notice Paper [see Hansard for Friday, May 28].

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

ONTARIO BIOTECHNOLOGY ADVISORY COUNCIL

Mr. Stevenson moved resolution 19:

That in the opinion of this House, and as a result of the increased potential contribution of biotechnology to Ontario's economic and industrial growth, the government should take the necessary immediate steps to establish an Ontario Biotechnology Advisory Council representative of industry, government and the academic community. The purpose of such a council would be: (1) to advise the cabinet and the Minister of Industry and Trade on specific policies and programs designed to allow Ontario to take advantage of the opportunities offered by biotechnology; (2) to identify those areas of research and development of biotechnology in which Ontario has a competitive advantage; (3) to encourage, promote and increase public awareness of the benefits of biotechnology; (4) to liaise with industry and universities to ensure appropriate technology transfer; and (5) to undertake appropriate measures to ensure the availability of skilled manpower for the industry.

Mr. Kerrio: You mean that is not being done now?

Mr. Stevenson: We will get to that.

Mr. Speaker: Just before proceeding, I would like to take this opportunity to remind the honourable member he has up to 20 minutes for his presentation. He may reserve any portion of

that for his windup. All other members will have 10 minutes to debate this resolution.

Mr. Stevenson: I would like to reserve two minutes at the end.

Mr. Speaker, my objective this afternoon is to outline the important contribution that biotechnology can make to Ontario's economic and industrial growth, and propose a strategy that will facilitate the development of biotechnology in this province. Biotechnology is a relatively new area of high technology which has experienced rapid growth in the past few years and promises to continue that way. Some of the more popular terms that describe biotechnology are genetic engineering and the gene revolution.

Before I go any further, Mr. Speaker, a definition is in order. Biotechnology is the application of biological organisms, systems or processes to the manufacturing or service industries. While most of us are quite familiar with the term "microelectronics" and have at least some understanding of what that term means, we are not quite as knowledgeable about the effects of biotechnology. Industry, government and the press have given microelectronics a fairly high-profile treatment. As a result, we have that sort of awareness of the effects and the applications of microelectronics in the computer industry, telecommunications and many different modern sensing techniques.

Unfortunately, biotechnology or genetic engineering has not received the same exposure. It is my belief that over the next few decades, despite this unfair treatment, genetic engineering will touch our lives to an equal extent and probably even more so than microelectronic advancements. I suppose biotechnology does not have the same sort of sex appeal as microelectronics has, but I think it is safe to say that if we go down through some of these areas, it will be quite clear how biotechnology will have an effect on all our lives.

Within biotechnology there are several areas of application. These are frequently grouped into four major techniques or areas: (1) cellular manipulation, as illustrated by the production of new organisms or substrates through the fusion of cells; (2) genetic manipulative, referred to as recombinant DNA technology; (3) enzyme technology, the production of enzymes or new chemicals that enhance or alter the naturally occurring biochemical reactions in organisms; (4) fermentative technology related to the production of products resulting from fermentation by living micro-organisms.

For many centuries, man has exploited biological processes through techniques such as fermentation to produce alcoholic beverages and develop new foods. With increasing knowledge over the last century, we have seen tremendous advancements in the quantity and quality of foods produced by microbial activities. Cheeses, beer and sauerkraut are just a few of the many foods where biological processes are utilized.

More recently, the use of microbes to produce pharmaceuticals has drawn attention with the discovery several years ago of penicillin. Today, the potential exists for new vaccines and antibiotics of exceptional specificity and efficiency, tailor-made from the molecules of the disease organisms they are designed to prevent or attack.

In a series of revolutionary techniques, we have expanded our ability to manipulate genes to the extent that we now talk about rebuilding or engineering organisms in order to extend their biological potential.

This all began in the 1950s and 1960s when scientists unravelled the secrets of the double helix of DNA. DNA is the basic genetic material found in all living cells. Scientists have now learned to move a gene or a portion of DNA material from one cell to another and really have changed the whole operation of that particular organism. Now we can alter what the organism looks like and how each of its parts functions.

Another area for future development will be the use of biotechnology to control pollutants. Microbial activity has been and will continue to be used to metabolize and deactivate certain types of pollution.

At this time, microbes are being used in the area of resource recovery. Some microbes are capable of leaching elements such as copper from ore and others can be developed to leach base metals economically from lean ores and currently inaccessible areas. With increased proficiency in the bioengineering area, microbes can also be developed to recover fuel oil economically from heavy petroleum deposits such as tar sands or shale.

Research into applications of genetic engineering in the fields of human and animal disease diagnosis and treatment are one of the most rapidly expanding areas of research and development. For example, researchers are using gene splicing techniques and they will allow us to create a blueprint for a compound required to treat a specific disease. Once the organism is

found or created, it is just a matter of time until the commercial production and marketing of an important new pharmaceutical will develop.

Currently there is considerable interest in the production of human growth hormones required in reducing the effects of dwarfism in people and there is a considerable list of animal health applications.

3:40 p.m.

The major economic impact of the application of biotechnology will not be felt for close to a decade. However, one thing is certain: processes based upon biotechnology have now become exceedingly attractive to industry because they offer the opportunity to produce new goods and services at a fraction of the energy cost of conventional processes. Another attractive feature of biotechnology is that the resulting processes are less polluting.

A number of countries are involved in the funding of biotechnology. West Germany, France and Japan are all in the business and co-operating with their industries to varying degrees.

In Canada, there has been relatively little industrial interest in pursuing the commercial opportunities offered by biotechnology. However, with the proper strategy, Canada, and particularly Ontario, should be able to establish a biotechnology-based industry capable of competing on an international scale.

It is in the light of this tremendous potential that we should consider the establishment of an Ontario Biotechnology Advisory Council to advise both cabinet and the Ministry of Industry and Trade about initiatives to facilitate the development of biotechnology.

As stated in my resolution, the advisory council would be representative of industry and government. Such diverse representation would enable the council to have a broader knowledge of opportunities that biotechnology offers to the Ontario economy. It would recognize areas of needed research and would liaise closely with industry and universities to ensure appropriate technology transfer.

Another important role would be to make sure skilled people were being trained in appropriate areas to assist with the development of biotechnology techniques. Of course, many of these areas would not be recognized at the present time. As new techniques developed, people would have to be trained to adapt to them.

In addition, the council would actively pursue an awareness campaign to educate both policymakers and the general public.

A biotechnology advisory council for this province would assist Ontario industries in developing unique applications of biotechnology in those sectors of our economy in which we already enjoy a competitive advantage.

The resource sectors—namely, forestry, food and agriculture, energy and mining—are foundations of our economy. Failure to manage our resource base effectively, through biotechnology, could result in significant losses in world markets because of the lack of competitiveness.

Currently we have a limited biotechnology industrial base. To capitalize on our resource wealth and create new industries and jobs in Ontario, we need to pursue an active policy of promoting biotechnology.

Certainly we can recognize and applaud the efforts of such companies as Connaught Laboratories, Labatt's Ltd., and the Pulp and Paper Research Institute in advancing biotechnology. Worthy mention should also go to Syntex, which proposes to build a \$3-million biotechnology lab in Mississauga, and to the \$100-million joint-project venture of Canada Development Corp., Labatt's and the province of Ontario to build Allelix.

However, more needs to be done. An Ontario Biotechnology Advisory Council needs to be established.

Before concluding, I wish to spend some time discussing the potential of biotechnology in the area of primary agriculture. There have already been several advancements in agriculture that fall within the biotechnology field.

The development of the crop triticale is certainly one of the areas of advancement. Triticale is a man-made crop; it is a union of wheat and rye. Although it has been tested for many years, there are some new strains coming along now. The first variety of triticale was licensed for sale in the province this year and it will be grown commercially this fall in this province. It appears to have considerable significance as a winter feed grain for Ontario.

Another important development in the biotechnology area in agriculture is the use of a haploid breeding technique in barley. Again, this technique was developed at the University of Guelph and has received considerable recognition both within the province and around the world. At least one commercial crop-breeding company is currently using this haploid technique. It is truly an accomplishment of the genetic engineering age and basically cuts in half the time required to produce a new variety of barley.

Attempts are being made to use some similar techniques with other crops. Undoubtedly we are going to see biotechnology techniques used to screen for herbicide resistance and various other chemical resistances.

Another area of tremendous interest in agriculture is trying to get corn and other nonlegume plants to grow and produce a crop without such a high requirement of nitrogen. Legumes have a symbiotic relationship with the bacteria. The bacteria take nitrogen from the air, fix it and put it in a form that is useable by the plant. So far that has not been found to any great extent in many of the grasses, although it has been found to a limited extent in some tropical grasses.

Now it is a problem of scientists learning more about that relationship, to try to create the same type of relationship in corn varieties that are grown intensively in the major North American corn belt. Right now, the production of nitrogen is a very energy-intensive and expensive operation. If we can make major inroads in that area, it would certainly be a real revolutionary advancement in the agricultural field.

In terms of plant breeding, there really are no moral ethics that plant breeders have to follow. They behave basically like alley cats so far as the crosses and so on that they make in creating new strains are concerned. The use of all applicable genetic engineering techniques, including gene splicing, has tremendous implications in plant breeding. In all these areas of research it is going to be absolutely vital that the biotechnologist work very closely with the plant breeder.

I have briefly tried to outline the importance of biotechnology to many sectors of the Ontario economy, particularly agriculture. I hope I have convinced a number of the members here of the importance of this new technology and the importance of the Ontario Biotechnology Advisory Council. I think that is all I wish to say at the moment; I will say more later.

Mr. McGuigan: Mr. Speaker, I rise to join in the debate to support the honourable member for Durham-York (Mr. Stevenson) and to congratulate him for having brought in this resolution. In the short time I have, I do not intend to cover all the areas he covered but I would like to speak about primary agriculture.

One of the points we have to answer is, what is the need for advances in this area? The scientists and farmers of the western world have made great advances in agricultural science that have largely removed the drudgery from life for

food producers. They have given us methods of protecting our crops and livestock, and a host of tests so that the loss from insects, fungi, bacteria and similar life forms, even from man himself, have been reduced. They have given us new varieties of plants and new breeds of livestock that make the best use of soil, plant nutrients, sunlight and animal feeds. I could go on and mention the work in developing cultural systems and livestock feeding systems—handling systems that culminate in very efficient production.

3:50 p.m.

One might ask why we need this further initiative. I suggest it is because most, if not all, the present technology is based on basic science that has been around for a long time, such as the advances made in hybridizing plants. Of course, the most important area in Ontario that we think of in terms of hybrids is the corn crop. These advances are based on discoveries that go back to the last century. The point is that our present gains are not too many years away from bumping up against the ceiling of present technology and against the limits of world resources.

Many members will be aware that the limits are bounded by our supply of fossil fuels and naturally occurring fertilizers such as potash, phosphate and trace minerals numbering some eight or more. I am referring here to energy in the narrow form and the very expensive role it plays in the manufacture of nitrogen fertilizer, as the honourable member has mentioned. As most members know, the air is approximately 80 per cent nitrogen and 20 per cent oxygen. The nitrogen is largely unavailable to crops. To make it available, vast amounts of energy are required in the form of electricity or hydrocarbons.

The members will probably have noticed that ammonia plants are usually set cheek by jowl with electrical generating plants. Other forms of nitrogen are made by joining hydrogen atoms extracted from natural gas or other forms of petroleum. Just to illustrate the amount of ammonium or nitrogen fertilizer it takes to grow crops, it takes a pound of elemental nitrogen to grow one bushel of corn.

There is, as the member has mentioned, a relatively small group of plants that have the God-given ability to extract nitrogen from the air for their own use, for the use of other plants and subsequently for the use of animals. In the long run, if our society is to continue to enjoy its present standard of living and if we are to export food to the world's growing population, we need

a breakthrough to transfer the ability to extract nitrogen from those crops to our cereal and grain and fibre crops. Biotechnology offers us the hope, if not the promise, of achieving that goal.

We are constrained in crop production in one other way. That is the limitation of the ability of most crops to extract the energy of the sun. Most of them will take in only one per cent of the solar energy that falls on a particular acre of ground during the season.

There are a couple of exceptions to that among commercial crops, those being sugar beets and sugar cane. These crops can extract up to about two per cent. I suspect the reason is that they are able to crystallize sugar within their structure. I used to grow sugar beets at one time. As I recall, in the average yield about 16 per cent of the weight of the beet was actually sugar.

There are other plants such as the Jerusalem artichoke and grapes. I am sure the member for Lincoln (Mr. Andrewes) would be interested in grapes. They accumulate large amounts of sugar. No doubt there are other plants as well. In our economic plans we need to join the abilities of such crops as those with the ability to extract nitrogen and use it.

There is one other point I want to raise, simply as a thought for consideration. That is the question of where this work is to be done. There has been a general, although not exclusive, division of basic research such as biotechnology to the federal research people, while the provinces have kept roughly to the field of applied science. There certainly have not been absolute lines drawn, but it has been a general principle, the reason being that the federal government, with its greater resources and with the problem of the food supply of the whole nation rather than a particular province to be concerned with, has carried on in the past with a good deal of basic research.

With a task as large as this matter of biotechnology, one could ask whether Canada, as a single country, would be better off to join with the United States, where so much work has been done in this regard at Beltsville, Maryland. I do not put that forward as a positive statement; I simply raise it as a question about where such important work should be done and where it could be done most economically.

As the member for Durham-York has pointed out, genetic engineering has unlimited possibilities. He has mentioned some of these possibili-

ties, such as in controlling pollution and in medical and other types of research.

Some people have a certain fear of biotechnology. They fear that perhaps we are going to create some sort of monster which would even reach us here in Parliament and destroy all of us. I think some restraints might be put on scientists—I am sure they would do this of their own accord—in developing life forms. But I would remind members that every advance that has been made in science and technology has had its detractors, those who predicted that a particular advance would bring about the end of the world. When we think of the atomic bomb, perhaps they are right. We can only hope and pray as citizens and we can work as politicians to try to prevent those things from happening.

I conclude by giving my support to this resolution. I have to close on what one might consider a sour note. I wish members on the opposite side of the House would give positive consideration to similar bills that emanate from this side of the House and base their decisions on the merits of the bill rather than on politics. I point out that we on this side, who are interested in all the people of Ontario, base our support on the merits and not on the politics.

Mr. Cassidy: Mr. Speaker, I intend to support this resolution, and my colleague the member for Downsview (Mr. Di Santo) intends to oppose it, but for the same reason. The reason we are a bit divided on how to handle this is that it is hard to know whether to support what we might get from this government by way of some awareness of what is happening in technological change, or whether we should not wait until there is some adequate response to the needs of Ontario by knowing what is going on, anticipating it and planning for it rather than letting the future catch up to us without our having any response to it.

It is interesting to me that the terms of this resolution echo almost down to the word the terms of reference of the federal task force on biotechnology, which was established in June 1980, almost two years ago, and reported in February 1981, just over a year ago. It is interesting as well that Ontario is only now having a private member propose a resolution about an advisory council on biotechnology, more than a year after the federal government had a task force that recommended a development plan for biotechnology.

Six weeks ago I gave a speech in this Legislature during the throne speech debate about the impact of technology, with particular reference

to microtechnology, in Ontario. I pointed out that there was a devastating impact in the loss of jobs and changes in our society; that this is happening all around us now; that microtechnology is a technology which affects every industry, every work place, every job in the province; and that it could easily take a million jobs away from the work force we have right now. I pointed out that we are hardly prepared for this in this province.

That is happening with biotechnology as well. I suspect that developments in biotechnology are about 10 years behind those in microtechnology, but biotechnology is a similar type of technological development. It does not hit only at one or two specific areas; it does not only give us a better motor car or a better machine for crushing ore in mining. It affects every industry, particularly the process control, chemical and agriculture industries.

I suggested six weeks ago that we should have a select committee of the Ontario Legislature on the social and economic impact of technological change. I am sorry there has been no response from the government to that proposal, which was a serious one, because I think that should be established over the course of the summer. I would hope that the member proposing this resolution would talk in the corridors with his colleagues in the Conservative Party and the government about having that kind of a select committee, if he is as concerned as I am about the new technologies and about there being an adequate response from the government.

4 p.m.

The fact is that, two years ago, we had a task force on microelectronics. It looked at the industrial implications to the point of recommending the formation of the microelectronics centre now being established in Ottawa. It did not look beyond that at the social and economic implications of microelectronics, and in that it was disappointing. The creation of an advisory council, I am afraid, could also be disappointing, particularly with the kind of people the government has a tendency to appoint to these bodies; or the body could spend so long getting itself established that by the time it got around to it, it would be too late and the world would have passed Ontario and Canada by.

There is no question about the impact in many different areas of industry. In energy, we can turn sewage to methane with biotechnology. In mining they are using biotechnological techniques to extract copper. It can be used in

order to recover oil or to create oil from non-oil bearing substances. In agriculture, the member for Kent-Elgin (Mr. McGuigan) has just spoken about the role of biotechnology in terms of creating new sources of nitrogen and new crops. It can be used to create animal feed from forest wastes and we have hundreds of millions of tons of forest wastes potentially available in this province almost every year.

In medicine, biotechnology is being used to create artificial drugs. In forestry, a bacterial process to purify forest wastes has just been patented by Abitibi and now there has been established a precedent that patents can be given to biological or bacterial processes.

In electronics, people are talking about a biocomputer, which is a marriage of biotechnology and microelectronics, to the point where the computer would manufacture itself through bacterial processes. It blows the mind. They talk about computers that would fit in the palm of a hand and would do the same things as a computer that once used to take up an entire room the size of this chamber.

In the environment, biotechnology can be used in the case of oil spills. It can be used in terms of garbage-eating bacteria, a solution to the problems of solid wastes.

While it cuts across every industry, it is also a technology which has hazards. What is going to happen to workers in work places where biotechnology and biotechnological processes are being used? What about the risk of rogue bacteria? If there are problems now with the handling of these substances in laboratories, what will happen when they are put into the rougher conditions of industrial plants? That is a problem.

What about the problem of the temptations put before scientists and researchers when they are producing processes which could lead, any day, to a multimillion dollar profit for a new company which wants to get involved with the process they have on the drawing board? If drug companies were prepared to falsify records and do things like that in the area of pharmaceuticals, as has happened, how do we avoid the same risks in the area of biotechnology? We are dealing with living organisms where there could be the potential hazards which could be pretty devastating and pretty frightening to think about.

The other question is, where are we going in terms of policy in this province? There are companies, like Bio Logicals, an Ottawa company in my riding, which are now getting into

this area. They are creating a gene machine and I wish them luck.

Ontario is funding in a major way the company Allelix with Labatt's and the Canada Development Corporation. But that is only one entry in the area and it seems to me that if we want to really make some progress, we have to be talking about a number of companies in biotechnology in the same way that we have a number in the high-tech area. There are 100 companies in that area already working in Ottawa alone, and many more in Toronto and Waterloo and in other centres of high technology across the country. We cannot do it with just one company, therefore we have to have some kind of strategy to get that kind of development.

The fact is that from the government we have had the contrary. The cutbacks in university funding hit directly at biotechnology. I am sorry the government member proposing this resolution did not talk about that, but there is an intimate link between the products of the university laboratory and the products which are now being realized in terms of commercial development—it is very intimate and it is very close. I remind the member that in Ottawa the biggest single success story has been that of Mitel. The founder of Mitel, Mike Cowpland, came out of Carleton with a PhD in electrical engineering some 12 to 14 years ago. In fact the seeds of Mitel were sown in the laboratories at Carleton University, where he did the initial development work on Mitel's first products.

That is what is going to happen in biotechnology as well, but it will not happen if the cutbacks in university spending by this government continue. Members have to be aware of that. Advisory council members and the people concerned about being at the leading end of technology have to be saying that and be making sure that this province does not continue to cut back in areas of enormous importance for the future of industrial development.

I took pains to check what else the province is doing besides the investment in Allelix. The answer is not much. We have the hi-tech centres, and they are welcome, but there is no one in the Ontario government looking at the social and economic impact of the new technologies. There is no long-term planning taking place. The Ontario Economic Council has given only passing attention to matters such as biotechnology and the impact of microelectronics.

The new Innovation Development for Employment Advancement Corp. is meant to import

ideas and serve as a kind of a development bank for some small entrepreneurial enterprises, but it is not looking at the overall social and economic implications. The province does not have anything approaching Science and Technology Canada, which is intended, at least, to do this job at the federal government level. Neither do we have anything comparable to the Science Council of Canada which, under the new leadership of Dr. Smith, appears to be taking these problems very seriously.

I understand my time is about to expire, Mr. Speaker. I would just say, in the last minute that may be left to me, that if we are only funding one company; if we do not have any serious study of what is happening; if neither through the Legislature nor through government agencies, task forces or people in the ministries, we are trying to understand what is happening and plan for it; if we have failed—and we have failed—to have any kind of comprehensive industrial strategy to ensure that in areas like biotechnology we are at the leading edge; then the real risk with the advisory council which the member proposes be created is that if it is created everybody will sit back and say, "Isn't that nice, we have done the job."

The fact is we will not have done the job. We will have barely scratched the surface of what this province ought to be doing in a vigorous, far-seeing approach to new technologies to make sure they work for the benefit of the people of Ontario.

Mr. Andrewes: Mr. Speaker, I am pleased to be given an opportunity to speak in support of my colleague's resolution. I was pleased also to hear the previous three speakers endorse that resolution. Any doubts honourable members might have about the academic expertise of my colleague the member for Durham-York should now, I think, have been completely dispelled.

Without question, biotechnology is an emerging area of high technology which promises great benefits to the economic wellbeing of our province. As a result it is our responsibility as decision-makers to adopt appropriate measures to ensure the proliferation of biotechnology in our economy.

My colleague made particular reference to the benefits of biotechnology in the field of agriculture, but a sound and comprehensive technological base is an essential requirement for a competitive manufacturing industry as well. Innovative high-technology industries provide the major stimulus for job creation and are

a key factor in industry's ability to meet foreign competition.

As my colleague has stated, biotechnology's principal appeal in Canada is its relevance to our rich resource base. Although in the past Canada has failed to take advantage of its resource wealth, biotechnology now offers the opportunity to utilize our resources more efficiently, while at the same time developing our potential to be world leaders in resource management.

At the root of nearly every conceivable biotechnological process are raw materials which are renewable. These renewable resources are our agricultural crops, forests and plant life, which have collectively become known as biomass.

In the future we will be able, with the aid of biotechnology, to economically convert biomass into renewable energy. The member for Ottawa Centre (Mr. Cassidy) touched on that subject briefly.

4:10 p.m.

Methane, for example, can be generated biologically from the fermentation of industrial, domestic and agricultural wastes. Methane thus derived could be introduced directly into existing natural gas pipelines for domestic use or export.

I notice the member for Halton-Burlington is paying strict attention to this.

Mr. J. A. Reed: That I am.

Mr. Andrewes: He will find this most interesting.

Another possible avenue for methane is its subsequent hydration to methanol, providing an alternative source of liquid fuel. One side product of this fermentation is a residue rich in nitrogen and minerals which could become an excellent source of natural, environmentally safe fertilizers. This point was also mentioned by my colleague the member for Kent-Elgin.

Clearly, the opportunities for Ontario which arise by manipulating biological processes to produce methane are enormous. In the future we will be able to use methane to increase, economically, our sources of natural gas; to develop new technologies in waste treatment and pollution control; to reduce the cost to industry of waste treatment and disposal; and to produce environmentally safe fertilizers, which will reduce demand for more expensive petroleum-based fertilizers.

Biotechnology can also make a significant contribution in connection with our nation's

petroleum reserves. One specific area which may present an opportunity is petroleum recovery. Canada has vast reserves of petroleum locked in the tar sands of Alberta and Saskatchewan. The current processes for petroleum recovery from tar sands are expensive, energy intensive and inefficient. One problem which accounts for a major portion of these ills is the difficulty in bitumen separation. Microbial methods for the separation of bitumen are currently being investigated in Canada with very encouraging results.

Minerals are another vast Canadian resource, but getting them out of the rock is often complex and again energy intensive. To expand on another subject that was touched on by my friend the member for Ottawa Centre, micro-organisms can far more easily penetrate mineral deposits to leach materials out of the rock. In Canada there is already a good model for the use of bacteria in mining uranium. Bacteria can be used to make uranium dissolve so that it can be recovered with water. However, the efficiency of this process still requires some improvement.

There are also opportunities for leaching of other metals—copper, nickel, lead or zinc—from low-grade ores. Biotechnology offers potential for extracting more minerals, thus expanding our existing capabilities and jobs.

Our forests represent another valuable resource. The application of biotechnology is expected to have a major impact on this sector. Waste from lumber industries represents a potential food source for animals. Many trees produce commercially useful waxes, resins and oils that can be concentrated from waste bark and leaves by means of micro-organisms.

The development of specific trees for specific climates can be of great significance to the pulp and paper industry. New species development has the potential to expand the range of tree and plant variability through the technique of genetic engineering, and will have a revolutionary effect upon traditional breeding.

The Ontario Ministry of Natural Resources is already using biotechnology to grow larger poplar trees and to grow them faster. New trees and plants with a high degree of resistance to diseases and infections, the ability to be grown on marginal lands and the capacity for higher yields in shorter time spans are also some of the avenues currently being pursued.

The increasing displacement of chemical or petroleum-based pesticides and herbicides by agents of biological origin could represent a

major breakthrough in the successful management of our forest and agricultural resources. Biological control agents have the feature of being highly specific and therefore pose little, if any, danger to the rest of the environment.

Finally in the area of forestry, research is now being directed at methods for the most effective utilization of cellulose. Cellulose and lignocellulose potentially represent an enormous renewable resource of fermentable carbohydrate. Carbohydrate can then be transformed into foodstuffs, fuels or chemicals, depending upon the biological processes employed.

There must be a long-term serious commitment to the development of biotechnology in our province. An Ontario Biotechnology Advisory Council, representative of industry, government and the academic community, would be in the position to take full advantage of the opportunities offered by biotechnology. The council would identify the areas of biotechnology in which we already enjoy a competitive advantage, particularly in the resource area and health care, and assist the development of new products and processes in these sectors.

I would urge all members of this assembly to support this worthy resolution.

Mr. J. A. Reed: Mr. Speaker, I rise in support of this resolution put forward by the member for Durham-York. Before I begin a few remarks on some of the details of the proposal, I should like to say a word to those members of the Socialist party, who are having trouble supporting this resolution, and point out to them that in every instance through the ages where there has been a significant advance in mankind's coming to terms with his environment and with nature, there has always been a group of people who have opposed those advances.

We can go back to the time of the great Galileo who was forced by the church of his time to recant ideas he knew to be true. We can go back to the industrial revolution and remember that there were a group of people who set out to destroy industrial machines. We are not so old that we do not remember the advertising when the horseless carriage came along, and the kind of advertising that was used to try to resist the advance of the horseless carriage. Tractors in agriculture were another issue, and I can go on and on. I would just say to the Socialists that I feel badly they are having difficulty with this resolution. It probably is a pretty good indicator of the level of advancement they put forward.

In addressing this resolution, I would like to address my remarks to the government mem-

bers of the House who, in my view, with this resolution coming before us, present themselves as the people who have written the book in Ontario on hypocrisy. I find it absolutely incredible that as we stand here today debating a resolution and supporting a resolution by a government member, we have the words of the member for Lincoln (Mr. Andrewes) linking high technology to job creation and the opportunity to utilize resources more efficiently. The government members' service bureau has equipped him with words to quote like "renewable energy" and "the opportunities for Ontario are enormous."

Yet in February of this year, the federal government signed an agreement with Quebec to set up the initial pilot plant to produce methanol from wood waste in that province using some Ontario technology that has been developed and is in place at this time. It is not a bad thing that Quebec is going to get the advantage, but it is the ultimate hypocrisy for a member from the government side to put forward a resolution such as this while his own government, at the same time, is doing everything it can to suppress the advancement of biotechnology in many fields, including the field of energy. This is a field in which the Liberal opposition in Ontario has advocated advancement for many years. Yet the government continues to hold it back while making these hypocritical speeches about the renewable energy potential in Ontario and the opportunities that, to quote the member for Lincoln, "are enormous."

4:20 p.m.

I say to the members opposite, either fish or cut bait. They should not make these platitudinous statements on the one hand about all the opportunities that are available to us when, at the same time, in practice they are performing the dead opposite. That is exactly what they are doing. If there is any member among those seven on the government side at present in the House who knows that, surely the member for Lincoln knows that.

He knows and I know the tremendous opportunities available to Ontario through the application of biotechnology, so important in the field of energy and in the field of renewable resource development. It is with extreme frustration that for six years I have advocated just such a tack for Ontario, formerly as Energy critic and now as Natural Resources critic, yet the province continues to do nothing about it.

Now we have a resolution by the member for

Durham-York, an admirable resolution in itself, to establish an Ontario Biotechnology Advisory Council. It is great and good of him to bring this resolution forward; but we, on this side, have been advocating this kind of approach for the last six or seven years. Where have they been? I suppose the government is going to rise in support of this resolution this afternoon. Where has it been for seven years?

They can pay lip service to all sorts of things, but when it gets down to the crunch, they are not there and they never have been there. Unfortunately, this resolution will come in and we will all applaud it. We will say what a grand thing it will be to establish a biotechnology advisory council and that will be the end of it. We may even prod for one or two projects to emerge as a result of this thrust, but that will be the upper limit.

In energy, we probably will not hear of alternative fuels again for the next five or six years, until there is some perceived scarcity again and we are all very concerned when the price of petroleum rises again. At least we in opposition will be concerned when the price of petroleum rises again. Perhaps the government will be quietly elated because it now has an ad valorem gasoline tax and there is more money in flogging gasoline than there will be in developing an Ontario-made fuel using Ontario's resources.

I have to point that out and say to the government that this kind of thing is so terribly hypocritical. If we go back to speeches that have been made over the past five or six years, speeches by the Minister of Energy (Mr. Welch) and so on, it is not difficult to find statements that in practice really act to suppress this kind of resolution. The policy is the reverse of this resolution.

I admire the member for Durham-York for bringing it forward, but he would be far better advised to tackle his Minister of Energy, his Minister of Natural Resources (Mr. Pope), his Minister of the Environment (Mr. Norton) and his Provincial Secretary for Resources Development (Mr. Henderson) and say: "Where have you been all these years? We have been waiting for you."

Now is the time to act and, if they cannot act, let me say that my party is prepared to act after the next provincial election.

Mr. Di Santo: Mr. Speaker, I rise—

Mr. R. F. Johnston: Well, he almost rises.

Ms. Fish: Discrimination against short people, Richard.

Mr. R. F. Johnston: Yes.

Ms. Fish: It's wrong.

Mr. Di Santo: Well, I could mention a long series of short people from Alexander the Great to Julius Caesar, Napoleon—

Mr. Samis: And Larry Grossman.

Mr. Di Santo: Coming down to Larry Grossman.

Mr. Speaker, I rise in opposition to this bill for two reasons. One is that this is a clear example of how the Tories are using the private members' hour, which, when it was introduced, was supposed to be an hour that would give the members of the Legislature an opportunity to make suggestions to the government so they could eventually pick up some good ideas that could become legislation for the benefit of the people of Ontario. Week after week we see all kinds of Mickey Mouse bills introduced by the members of the Conservative Party that have no consequence at all for the people of Ontario; at most they are pieces of legislation that are aimed at giving them a narrow-minded, parochial advantage from a peer point of view.

The second reason, which is more serious, is that this kind of bill does not mean anything for the development of microbiotechnology in Ontario and in Canada. In fact, we all know what is going on in this area, which in the past has traditionally been known because microbiology is connected with the fermentation of beer. But we know now that there is a new series of industrial products that will substantially change the production methods in the industrialized nations.

My friend and colleague the member for Ottawa Centre said that all kinds of information are available. We had an inquiry, a national report from the federal government; we had position papers of the government of Ontario in January 1981 on the technology and export priorities for Ontario's growth, in which all the new areas of this technology were explored. We certainly do not need another advisory council at this time. It is not advice that we need; what we need is the political determination of the government to enter decisively into this field, which will be more and more important in the future.

The government of Ontario, under the Board of Industrial Leadership and Development, that big window-dressing pre-electoral program, has undertaken only one single project. The pro-

vincial government has entered into a joint venture with the Canada Development Corp. and John Labatt Ltd. to form a new company called Allelix. This is the only project this government has supported financially since 1981, and now the member for Durham-York is trying to lead us to believe that we need a new advisory council. I think that is a little too much.

We know what is happening in the world. The Ministry of State for Science and Technology estimates that if Canada is to keep pace with the other industrialized nations we should spend \$500 million in the next 10 years. Ontario, which is the hub of the industrial base of Canada, is spending \$8 million in this new industry. As I said before, there are whole new areas where microbiotechnology is making an extremely important impact. If we look at other countries we will see that.

4:30 p.m.

We can read the provincial government's papers, not others' documents. According to the province, the United States has proposed a \$3-billion loan and loan guarantee plan over 10 years for the production of alcohol fuels alone. The West German government is investing substantial amounts of money, as are England and Japan. According to the document produced by the government of Ontario, five per cent of the gross national product comes from biotechnology industries.

What is happening in Canada? Canada is ill-equipped because we have neither the expertise nor the means to use the research, to apply it to industry. In fact, the director of research and development for Labatt's, Mr. Sheldon, said, "Even the most traditional types of products made by the most deeply entrenched conventional technology are not immune to the onslaught of biotechnology." He said that despite our potential there is such an ignorance in the industry in Canada that he is appalled.

Just to give an example of what is going on in the world, he said, "We were just visited by a French government team that has \$200 million in the bank to exploit biotechnology." Even small countries like India, Pakistan, Australia are spending and investing in this industry so that by the turn of the century, according to the estimates of Information Research Company of England, it could generate \$500-billion worth of business worldwide. Unless we become serious about this new area, Canada will be left out.

I want to mention what people in the field think.

The Deputy Speaker: One minute.

Mr. Di Santo: According to the Ministry of State for Science and Technology, we do not have the skills today and if we do not change we will not even understand the imported machinery. I think the government should intervene seriously, investing money, encouraging universities and encouraging private industry so we can recover what we have lost because of government inaction.

This bill does not do anything in that direction. Therefore, I will vote against it. I suggest the member for Durham-York should avoid wasting the members' time with bills which are basically meaningless.

The Deputy Speaker: I now recognize the member for Wentworth and point out, in regard to negotiations of time, you will have until halfway between the seven and the eight.

Mr. Dean: Mr. Speaker, in view of the fact that those are Roman numerals I may need an interpreter.

I welcome the opportunity to speak in support of the resolution by my colleague from Durham-York. The establishment of an Ontario Biotechnology Advisory Council will go a long way to ensuring our proper participation in this exciting new field of applied science.

It is tremendously important for our province to be involved in this at the outset, so that in the 1990s and beyond our economy will be strengthened by this technology. I would like to point out that this technology could well produce an impact greater than that of the microelectronics revolution. All of us in positions of leadership must wake up to the multibillion-dollar potential of the emerging microbial work force. One might say the germs are coming. The biotechnology advisory council, the paradigm for which might be the bacteria athletic club, can give us advice on the direction and extent of government involvement in this new field.

I note that departments of the federal government have been spending precious time arguing and dithering about what should be done rather than actually doing something. I would like to quote from Dr. Bohumil Volesky, one of the group working on biotechnology at McGill University. If the members do not remember anything else I say, it might be worthwhile remembering this, "Biotechnology has a more promising future than all of the megaprojects the government is so hung up on, but it isn't even listening to us." That is the federal government he is talking about.

Biotechnology has had and will continue to have a major effect upon the quality of health

care, for one field, through the development of new agents for disease control and through the prevention of disease. Within the next several years, large quantities of human hormones, human blood protein, specific human antibodies and vaccines, and viral antigens will become available as a result of the application of this new technology. As I have already mentioned, an improved understanding of bacteria will come.

Bacteria appear to have the ability to do more things and solve more problems than any other organism, possibly with the exception of humans. Scientists have recently discovered that bacteria have the ability to interchange genes, making them resistant to many antibiotics. It is staggering to realize that the lowly bacterium knows about gene swapping. Certain humans are not the only swingers on this planet.

Bacteria are constantly trying out new genes. They just keep those that are immediately useful and throw away the rest. As soon as the antibiotic to which those genes were resistant is withdrawn, they are no longer on the bacterium. It is just amazing. The only saving grace is that it takes the bacterium three months to make the switch. Scientists will be able to piece together the puzzle of many human disorders. For example, products of the technique of recombinant DNA result in some remarkable products.

One of the first that has been produced in this way is synthetic human insulin. As members will know, insulin is really an animal product, but synthetic insulin is identical to the human form and can be produced by bacteria. It is one of the first. Its development relieved a growing shortage of insulin and it also produces fewer bad side effects. I might also mention the importance of interferon in cancer research. That too can be produced by the action of bacteria.

Something I found very exciting in the research for this was the application of biotechnology, particularly bacterial development, to artificial kidneys. Many of us know the effects of the dialysis machine which, for someone who needs its effect, requires that he or she submits to the operation of this machine two to three times a week for about a six-hour period each time. With the new artificial cells designed by scientists to perform the same function, that time can be reduced to two or two and a half hours instead of six. The cost for the unit treatment, instead of being \$5,000 is \$50. The amount of development that can come about is absolutely staggering.

The establishment of a biotechnology advisory

council which has been suggested will encourage this sort of development. It will be not only economic and industrial, but will be equally important in the medical area in the province. Let us show the bacteria who is boss.

4:40 p.m.

The Deputy Speaker: In summation, we will hear from the member for Durham-York. Without getting too specific, you have until the big hand gets past the VII.

Mr. Stevenson: Mr. Speaker, it will take that time to figure out what you meant.

I want to comment on a few things. I was pleased to see general support from most of the speakers. The member for Ottawa Centre said essentially nothing was being done. I would like to say it is quite clear there has been a considerable amount done in Ontario and Canada in the area of biotechnology.

It may well be that a fair bit of this was done before the buzzword biotechnology had been invented, but one has only to look at university research projects in which genetic engineering has been involved to see it is quite clear there has been a great deal done. There is no difficulty whatsoever in obtaining a list of the advances that have obtained local as well as international notoriety. I think the advisory council is to focus attention and consolidate the present efforts in that area and then to advance the idea of the potential of biotechnology in the future.

I also wish to note the comments of the member for Halton-Burlington, who mentioned the hypocrisy of the people on this side. It may be his pet project has not proceeded as rapidly as he would have liked, but I have a background that allows me to comment fairly clearly on the amount of information that has been gathered on biomass and biomass conversion, much of it funded by the provincial government. It is quite safe to say we need to take a back seat to no one in this country in that area.

We do have two methanol plants in various stages of operation now in the province, one at Kakabeka Falls and the other at Hearst. The member for Lincoln or I would be happy to get that information for the member at any time.

I would like to say that to keep any country at the cutting edge of research is a very high-cost thing. It is much cheaper to stay half a step behind—

Mr. J. A. Reed: That is not true. That is not a true statement. There are no methanol plants in operation in those places.

Mr. Stevenson: I did not say it was in operation. It is much cheaper—

The Deputy Speaker: Time.

Mr. Stevenson: I urge the support of the members on this resolution.

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

Mr. Breithaupt moved second reading of Bill 98, An Act to provide for Freedom of Information and Protection of Individual Privacy.

Mr. Breithaupt: Mr. Speaker, I am pleased to rise and speak in the second reading debate on Bill 98, an act respecting the general subject of freedom of information and the protection of individual privacy in Ontario.

Across Ontario, winter is at last giving way slowly to spring and the transition brings new hope to all of us. We forget about those bleak, dark, cold weeks of winter. Now the warmth and sunshine of spring is giving us a freedom feeling and the inspiration to take action to improve the human condition. On the question of freedom of information and the protection of individual privacy, the government of Ontario unfortunately remains firmly locked in those dark days of winter.

We have waited far too long for freedom of information legislation to be enacted. I agree with the opinion of the member for York South (Mr. MacDonald), as published in the *Globe and Mail* last fall, that "The government of Ontario has been playing a game of calculated procrastination for the past seven years." A review of the government's record on this issue makes that conclusion inescapable, with the one additional item that, of course, now it is almost eight years.

In 1977, under the rigours of a minority government, the Williams commission was established to study and report on the many complex aspects of freedom of information. The Krever commission on the confidentiality of health information was created that same year. In many respects the Krever report related directly to the question of freedom of information, and the conclusions reached there have certainly been helpful in the creation of this bill and in the attitudes that were expressed.

In August 1980, the Williams commission submitted its final report to this Legislature. The preparation of that report has cost us approximately \$1.7 million. At that time the current Minister of Natural Resources (Mr. Pope), as Minister without Portfolio, was respon-

sible for freedom of information and he promised us a draft piece of legislation by the end of 1980. It was early in 1981 before a draft bill was provided and finally circulated privately by the minister for purposes of discussion. With the election of the Tory majority government on March 19 of last year we found that the member for Carleton-Grenville (Mr. Sterling), as a new Minister without Portfolio, was given the responsibility for introducing freedom of information legislation.

Now, as the Provincial Secretary for Justice, he continues to be responsible. Indeed, the only information we really have on that subject is in the briefing notes for this year's estimates for his secretariat. It says on page 8, and I quote from the fourth last line, "The Provincial Secretary for Justice is also responsible for information access and privacy legislation." This is really all that is contained in this report on that subject, but at least we have some acknowledgement of responsibility for this particular theme.

A further six months elapsed before, on September 29, 1981, the minister announced not legislation but the establishment of a task force to draft a position paper with accompanying legislation at an anticipated cost of another \$150,000. The people of Ontario were told that a white paper would be issued by December 15, 1981, and that the minister hoped to hold hearings throughout the winter of 1981-82 with a view to tabling legislation by the spring of 1982.

That date of September 29 last has certainly passed us by; the times for expecting draft legislation are long since gone; the winter of 1981-82 for those hearings has passed; and, indeed, the spring of 1982 is upon us, and still we have no white paper, we have no hearings and there is no legislation.

On April 23, I questioned the minister in the Legislature and he expressed his regrets that he could not "speak more freely about our position because our position has not been reached at this time." There has been considerable speculation that it is the Attorney General of Ontario (Mr. McMurtry) who controls the tempo of government action on this critical issue.

Mr. Roy: You should listen to Walter.

Mr. Breithaupt: My colleague from Ottawa East mentions Walter Baker, a federal Conservative MP, a minister in the short-lived Clark government, who has described the policy of this present government as "absolutely unacceptable" and, further, as "racing full speed back to the Middle Ages."

Regardless of who is responsible for the

delay, whether it is the Attorney General or the provincial secretary or, indeed, whether it is the Premier (Mr. Davis) himself, it is absolutely clear that the government is reluctant to deal with this whole question of freedom of information. We must not, in my view, permit the government's reluctance to be condoned by any inertia, certainly on the part of the opposition. We have recognized that they have had commissions, they have had studies, there are task forces, there is a secretariat, there are involved ministers and yet nothing has happened.

As a result, we have brought forward in Bill 98 what I hope is a suitably comprehensive approach to this whole subject, put together not with that same source of staff or funds or involvement, but by several people who are most particularly interested in this subject; two of whom are Mr. Mordechai Ben-Dat, one of our researchers, and Mr. Tom Zyzys, our director of research.

4:50 p.m.

For this reason I have tabled in the Legislature this private member's bill, An Act to provide for Freedom of Information and Protection of Individual Privacy.

The inattention of the government may well be the reason the importance of this legislation to Ontarians has been lost in the mists of time. Let me restate, briefly, the first principles regarding freedom of information and the protection of individual privacy.

Freedom of speech and freedom of choice tend to be taken for granted as the hallmarks of a democratic political system. Equally important, although less renowned, is the principle that a democratic government is a government run not only for the people but by the people. Most subscribe to the notion of participatory democracy, yet the practice of modern government suggests it is a notion which is all too easily bypassed.

To the extent that governments become entrenched, so also do they become closed and secretive. Closed government conflicts with the principles of free democratic government. Moreover, it alienates and cuts off the people it is intended to serve. Open parliamentary democracy requires that the public be able to examine government activities as a matter of right, not by grace and favour of a particular administration.

Under the present system the government of the day has absolute discretion on questions with respect to the release of information and, to a great extent, the manner in which personal information is gathered, stored and used. I

suggest the time has come for the present system to be changed.

My private member's bill attempts to distill the wisdom of the Williams commission report and to enshrine many of its recommendations in appropriate legislation. The sound reasoning of those commissioners, based upon two and a half years of in-depth study and discussion, warrants our consideration. Not all of the Williams commission recommendations find expression in my bill; nor, I suggest, is the bill only an expression of all those recommendations.

Aspects of the draft legislation prepared by the Canadian Bar Association and of federal Bill C-43 have been incorporated in my proposed bill. Nevertheless, to a great extent Bill 98 is a reflection of the considered judgements of the Williams commission, as will be seen as I summarize the points and themes of the bill.

With respect to freedom of information there are four particular themes.

First is that the right of access to government-held information is created for every individual.

Second, the general right of access to information is exempted in certain precisely defined situations.

Third, any person who feels aggrieved by a decision of a government institution concerning the release or the withholding of information may review that decision with an independent person. The decision of this person is itself subject to further review by an independent tribunal.

Finally, government institutions are required to make available to the public for inspection, if desired, indexes of information, setting out how and where internal decisions are made.

That is the overall framework with respect to freedom of information. The other framework, that with respect to the protection of individual privacy, has five themes.

First, the manner in which personal information is collected and stored is now regulated by statute with a view to making the process both reasonable and fair.

Second, the use to which personal information may be put by a government institution is now finally to be regulated by statute allowing individuals to participate in decisions about the use and the dissemination of personal information about them.

Third, individuals may now examine and correct records containing personal information about them, subject to certain exemptions.

Fourth, data management standards to protect the integrity and security of personal infor-

mation held in government records are created and enforced by an independent body called the data protection authority.

Finally, decisions of government institutions concerning the collection, use or disclosure of information are now subject to the same appeal mechanism as are decisions concerning freedom of information.

In the four themes with respect to freedom of information and the five points on the protection of individual privacy, we have attempted to strike a balance as to the public's right to know and also their right to have protection in certain areas.

No doubt there will be certain comments made on behalf of the government with respect to the appeal mechanism which has been suggested. That appeal mechanism moves from the director of fair information practices to a tribunal, and then by right of law in certain prescribed circumstances to the Statutory Powers Procedure Act.

The decisions of this tribunal are reviewable pursuant to that act, not by any reference within the bill but simply by a reference to the pattern of government operation and by the overriding approach that would give. They are not involved at this point with the approach that I am told is preferred by the secretariat for justice policy with respect to the involvement of the cabinet; but more about that in a few moments.

By the operation of the law, we would have this three-step procedure. I suggest that procedure is the best way of handling this whole area. In this morning's Globe and Mail there was a comment ascribed to the Provincial Secretary for Justice making the view quite clear that the final decision on whether information can be made public would be left to the cabinet. I hope that is not the case, nor would it be the theme the provincial secretary might develop in his remarks.

I am very pleased to see he is going to be entering into this debate. That kind of approach is no more acceptable from Ontario than it is from the federal scene. The same examples and reasons given by the leading members of the opposition in Ottawa, particularly by Mr. Baker, are valid in the approach we would bring to draft legislation to be introduced in Ontario as a government bill.

In any kind of review, the burden of persuasion that a document is exempt from disclosure should fall upon the institution or the person seeking to prevent disclosure. In our view, we have laid a foundation for a good scheme of

review and appeal, because it meshes well with the permissive nature of the exemptions. Except for private information, all exemptions are permissive and not mandatory. So a decision to refuse or grant disclosure is at the discretion of the head of the institution or the director. A review of that decision, therefore, cannot be on the merits of the document, but rather only on the process that led up to the decision.

The legislation we see before us is somewhat more comprehensive than the bills that already exist in Newfoundland, Nova Scotia and New Brunswick. Those are the only three provinces that have enacted freedom of information legislation to date. A bill has recently been tabled in the Quebec National Assembly. It has just been received but has not been processed as yet. So there are three provincial Conservative governments in this country that have passed this whole approach to information, and we have a commitment now by the federal government to do the same.

My purpose here is not necessarily to extol the virtues of one piece of legislation over another nor to deal in those particular items of legislation at the expense of one another because of certain differing details. However, I suggest that in the absence of any legislation by this government the approach we have taken is a mature and serious one, and I expect the bill will be approved by this House in principle. It is my sincere hope and intention that the introduction of this bill will focus public attention on the far-reaching, important and urgent questions of freedom of information.

As we evolve more and more into a high-tech society, values of humanity and individuality tend to be increasingly subordinated to computer-age indifference and anonymity. We must be constantly aware of what is happening, on our guard against the erosion of individual rights, sensitive to what the late Professor Perry Miller of Harvard called "the responsibility of mind in a civilization of machines." The Williams commission report begins with the following words of Alan F. Westin: "The modern totalitarian state relies on secrecy for the regime, but high surveillance and disclosure for all other groups. The democratic society relies on publicity as control over government, and on privacy as a shield for group and individual life."

We in Ontario cherish the traditions of democratic society. If we are to ensure the preservation and vitality of those traditions, we need good, reasonable, fair legislation dealing with freedom of information and the protection of

individual privacy. To this end, we must engage the government in prolonged and determined debate. There must be relentless and intelligent pressure brought to bear on this question of freedom of information and protection of individual privacy. I am pleased to see how that pressure is developing.

On the federal scene, the Honourable Walter Baker has championed the bill introduced under the Clark government. A federal bill has been brought before the House of Commons by the present government and has been at the committee stage for a year or so.

5 p.m.

Mr. Roy: I guess Roy McMurtry runs the show around here.

Mr. Breithaupt: It is interesting that interjection should be made. In yesterday's *Globe and Mail* there was a lengthy and worthy article by Mr. Gerald Baldwin, a former federal Conservative MP, on this subject. In the lower left corner of the article, there is a photograph captioned "McMurtry Led Attack." Perhaps this photograph is not as attractive as those appearing in *Toronto Life* or with the other lengthy articles regarding one of the heirs presumptive to the present leadership of this government, but it is interesting to note that it is not the kind of positive, red Tory headline the Attorney General ordinarily likes to develop. Unfortunately, the attack led by the Attorney General, at least in the view of Mr. Baldwin, was not an attack in favour of freedom of information but rather an attack against the whole idea.

I would like to quote just one brief comment from Mr. Baldwin's article.

"There were some provinces where the leaders had in public been most deferential to the idea of freedom of information. Ontario had established a first-rate royal commission, which after sitting for some time produced several excellent reports. When the Tories were in a minority position, they appeared to accept the views contained in these reports and in fact started the introduction of legislation. Then came an election, a majority government, and open government started to fade into the distance."

Mr. Roy: Who said that?

Mr. Breithaupt: Gerald Baldwin, a well-known former Conservative member of Parliament.

In Mr. Baldwin's view, the attack was against freedom of information and, as a result, we have not seen legislation. I must say with respect to

this bill that comments in the media on this subject have been most encouraging. Positive editorials, television commentaries and radio interviews have all been helpful. We now have an ad hoc group, an Ontario-oriented affiliate of Access: a Canadian Committee for the Right to Public Information.

One might ask who supports such a group. I will give just a few of the 20 or so names of organizations involved: the Canadian Association of University Teachers, the Canadian Bar Association, the Canadian Civil Liberties Association, the Canadian Daily Newspaper Publishers Association, the Canadian Environmental Law Association, the Canadian Federation of Independent Business, the Canadian Library Association, Energy Probe Research Foundation, Non-Smokers' Rights Association, the Ontario Federation of Labour, the Ontario Press Council and on it goes, a variety of groups which have in common an interest in this general theme.

Yesterday, there came to all members a letter from the Canadian Federation of Independent Business, and it said briefly in one paragraph: "CFIB has surveyed its membership on this matter. When asked, 'Are you for or against a freedom of information act?' members responded 74 per cent for, 14 per cent against and 12 per cent undecided. As a result of this vote, CFIB has taken the position of supporting the principle of freedom of information."

I am glad that sort of information is also available to members of the House. If one looks at the basic reasons upon which that ballot was struck, one can see briefly the arguments for as they set it out: "The citizens' right to know public business is fundamental to a participatory democracy. This right must be established as a fundamental freedom under the protection of the courts. Government employees would know what information must be provided and what does not have to be produced. The decision-making processes would be more open to public scrutiny. A check would be provided on the possible abuse of power by cabinet and civil servants."

We have legislation in place in Newfoundland, Nova Scotia and New Brunswick. We have action under way by the federal government and a commitment by the Prime Minister to legislation, it is to be hoped before the end of June. But we do not have any initiative in Ontario, and that has been most disturbing and unfortunate.

The suggestions made in the introductory

notes to this bill were repeated in the issue of Background, published by the Ministry of Municipal Affairs and Housing on May 17, as it referred to a list of bills introduced in this House. Under Bill 98, it says quite clearly and succinctly, "The bill provides a broad and comprehensive scheme for public access and protection of individual privacy with respect to information held by government."

It is a fairly clear and simple statement. It is a principle which I would hope all members of the House could support. I hope all members will join together as private members of this House to approve the bill in principle and to send it on for committee discussion and amendment for any improvements that may be wanted. That surely is our duty, so we can act in an area where leadership has been lacking and the opportunity is now before us.

Mr. MacDonald: Mr. Speaker, I welcome this bill and on behalf of the New Democratic Party I assure you that I and my colleagues will be supporting the principle of freedom of information. I welcome it because I think it is time we had another opportunity to debate the principle of this bill after what is now five or six years of procrastination on the part of this government while waiting for a royal commission report and two years ruminating on what it was going to do with that report.

Having said that, I want to express some concerns about certain proposals within the bill for implementing what I consider to be the two major areas of any freedom of information bill.

The two major areas of concern and legitimate discussion, perhaps even controversy, are how does one handle the exemptions, how does one handle the review of any impasse that arises when the government refuses to release information?

My concern with regard to the specifics of this bill is that there are some five pages spelling out exemptions. I was interested yesterday in the 10 points with regard to freedom of information as it was released by Access Ontario, and they referred to the need for a short and clear statement of exemptions.

Quite frankly, I would be inclined, and I put this forward as an alternative, to think that at some point we are going to have to consider that there should be eight, 10, 12 or whatever number is needed of legitimate exemptions within this jurisdiction. They should be short and concise rather than lengthy and burdened down with legalese, and we could leave the interpretation of them to the review officer.

Finally, there should be an independent judicial review if there cannot be some resolution of any impasse that arises.

The kind of detailed spelling out of exemptions in the member for Kitchener's (Mr. Breithaupt) bill seems to me to provide about 101 hooks upon which any bureaucrat or lawyer can hang his hat if he is seeking a way of blocking the provision of the information that an aggrieved citizen is seeking.

If I may mix my metaphors, one would need to be a Rocket Richard to be able to stickhandle through all those legalistic presentations of exemptions and hope to get within reaching distance of the goal.

However, that is an alternative way of approaching it. It is the one we proposed when we introduced bills back in 1974, 1975, and when Pat Lawlor, the former member for Lakeshore, and I introduced one in 1976.

Let me move now to the second area where there is legitimate concern, an area for controversy as to exactly how it should be handled, namely, the third-party adjudication. I would like to say third-party independent adjudication of any impasse that arises when a minister or any area of government refuses to release the information that is sought is necessary.

In his bill, the member is opting for a director of information practices and an appeal to a tribunal and finally to the courts, at least with regard to whether the procedures have been lived up to.

I repeat, I have yet to be persuaded that a simpler, less bureaucratic, less expensive procedure would not be to use the Ombudsman's office. We have had literally centuries of experience along that line in the Swedish tradition of freedom of information, where one of the ombudsmen within the office of the Ombudsman deals with that freedom of information.

The Ombudsman is involved in seeking out information with regard to grievances that come to him; so it is really part of the exercise that he is normally engaged in. I think it is the place where it could be handled. I was fascinated to learn that the current Ombudsman at one point even went so far as to say that he would invite an opportunity to be able to handle freedom of information, and it could be done for a sum that he fixed as low as \$250,000.

However, the main point and the main concern in this bill, and I want to speak to it as a principle because at the moment all we have to operate on in terms of the government's concept of a principle is the one that the Provincial

Secretary for Justice (Mr. Sterling) has now recommended to the cabinet, is that there should be no third-party independent judicial review but, rather, that it should go back to the cabinet.

I am interested that the member over there is shaking his head. I do not know what I said that is out of step with what the government has said on many occasions.

To have a freedom of information bill that does not have independent third-party adjudication of any refusal on the part of the government to make information available, I think is a travesty. It is not only a travesty; it has the potential of being an abortion.

To suggest, for example, as the minister is suggesting, that it should go back to the cabinet for final consideration is almost an incestuous process. The argument here is, has the citizen got entitlement to this? What is being suggested is that to get some independent final review of an independent body, if it cannot be resolved in the review process, the citizen should go back to the cabinet. Who for one moment thinks the cabinet is an independent body?

5:10 p.m.

I was interested in the rather devastating, comprehensive and total demolition of this government's objections as voiced recently by the Attorney General (Mr. McMurtry), when the Canadian Bar Association produced a document entitled "Freedom of Information and the McMurtry Letter." Just let me quote one sentence from it:

"Any retreat from the principle of independent judicial review by the present government"—it does not matter in that instance whether the reference is to the present federal government or the present government in Ontario—"would be indeed ironic, given the recent recognition of the value of independent judicial review in relation to the rights of individuals in the Canadian Charter of Rights and Freedoms."

In other words, Ottawa, with the ardent support of this government, with the Attorney General leading the pack, so to speak, in support of the federal government in a charter of human rights and freedoms for which the final adjudication is going to be in the courts, is now going to reverse itself and argue that in some way it is going to be a violation of basic principles to hand it to some independent judicial review and that it should be kept within the political arena.

I was talking the other day with the colleague of an honourable member and it was put

forward as a philosophic proposition that the final decision should be made by a politician, who is accountable, rather than by somebody, including a judge, who is appointed. I repeat, it is ironic that anybody on that side, in the year 1982, within months of the adoption of the Charter of Rights and Freedoms in this country, should be advancing that argument when it is an inherent procedure in that.

The final point I want to make in the limited time available is that the minister has been quoted outside many times as saying, and I think he has made the statement in this House, that he is hesitant to proceed with the bill. In fact, he was quoted in the *Globe and Mail* as suggesting that if the cabinet were to ask him whether there would be a bill introduced, he would have some ambivalence as to whether he should even proceed. Let me quote from the *Globe and Mail* on the eve of the opening of this session.

"But if the cabinet asks me which way is easier politically, to go ahead or just drop the bill, I will probably have to answer. The easiest thing politically is just to say no to freedom of information and walk away from it."

"Mr. Sterling said in an interview last week: 'There is no way we can win on the issue. We are going to be in hot water regardless of what we do.'"

He is right. If he does not bring in the bill, he is going to be in hot water. However, if he brings in a bill that is a travesty, that indeed will be almost worse than no freedom of information bill because there will be a roadblock to genuine freedom of information, one that refers back to the cabinet for final adjudication; then he will really be in hot water.

I draw your attention, Mr. Speaker, to the fact that Access, and all the people supporting it in Ottawa and the 20 organizations supporting it here in Ontario at the press conference yesterday, all indicated that independent judicial review as the final step is an absolute must and necessity for a genuine freedom of information bill.

I conclude by drawing attention to the fact that among the 20 organizations and the five or six well-known individuals, some of whom are long-term champions, such as Pierre Berton, June Caldwell and Dr. Carlton Williams, former chairman of the Ontario—

The Acting Speaker (Mr. Cousens): I thank the honourable member, who has exhausted his time.

Hon. Mr. Sterling: Mr. Speaker, I would first like to thank the member for Kitchener for

providing me and the Legislature with the opportunity to respond to a government initiative for which I bear responsibility. I trust he will find my criticism to be accurate and constructive, and my comments to be closer to the mark than I have generally found those of the opposition members to be over the past several months.

I commend the honourable member for the substantial effort he has put into Bill 98. I am sure he realizes it is a most difficult task to strike the required balance between the imperatives of an open government, those of privacy protection and those of an effective government. Indeed, the numerous deficiencies of Bill 98 illustrate how difficult this balance is to achieve. On the same note, I would like to stress that my comments are not an attempt to criticize the effort unduly but, rather, to highlight the complexities involved in this issue.

In the preamble to his bill the member recognizes that reasonable openness in government and the protection of the public from unwarranted invasion of personal privacy, promote the principles of free democratic government. I strongly support this philosophy, of course. However, I also believe that a free and democratic government must serve all the people. It is equally important that the services which it provides result in a public benefit and not a public burden.

Bill 98 will not serve the interests of the citizens of this province. On the contrary, it will place onerous and unreasonable obligations on the government—obligations that could disrupt essential programs and services, hinder the continued effectiveness of law enforcement agencies, jeopardize the economic interests of the province and result in substantial increases in the administrative costs which would be borne by the taxpayers.

Mr. T. P. Reid: You're playing Charlie McCarthy to Roy McMurtry's Edgar Bergen.

The Acting Speaker: Order.

Hon. Mr. Sterling: I realize the member for Kitchener is at something of a disadvantage since he and his colleagues have no direct experience in the administration of the government of Ontario. Without the benefit of this experience, it is difficult to appreciate that broad principles, such as those developed by the Williams commission, cannot be automatically translated into legislative provisions without due regard for their practical implications.

For example, does the member fully appreci-

ate the importance of such a basic distinction as that which distinguishes an existing record from a potential record? Bill 98, as I understand it, would oblige a public institution to provide any record that does not exist but is capable of being produced from a machine-readable record under the control of an institution.

This provision, although innocuous at first glance, would require the government to produce new records from computer banks; to combine, collate and assemble information in a fashion and into a format not normally required for the conduct of public business. Most certainly this would create considerable burdens on the information systems of public agencies, burdens that would disrupt the primary functions and services of these agencies.

Does the member clearly believe it serves the interests of an open and accountable government to mandate, at taxpayers' expense, the creation of records that serve no purpose to that government but may, through the onus of creation, jeopardize the timely delivery of essential services? Who will pay the costs that this provision is bound to incur? Does the member realize that the cost of creating a new record from electronically stored data can be prohibitive?

With this in mind I doubt that the average citizen, the intended benefactor of this initiative, would feel that the information received merited the fee he or she might be required to pay. But does the member recommend that the government simply pass these costs on the taxpayer as a whole?

Mr. Cassidy: Why don't you find ways of doing it?

Mr. Laughren: He's a disgrace to short people.

The Acting Speaker: Order.

Hon. Mr. Sterling: I noticed that Bill 98 provides for the levy of access fees but does not require a public institution to notify the requester of the cost prior to the processing of the request. Granted, it allows the individual to appeal those costs, but that is little benefit once the costs have been incurred. Someone must pay, either the individual or the taxpayer.

5:20 p.m.

I also note that the government can levy access fees if it is reasonable in all the circumstances to do so. Would the member care to define at this time what is or what is not reasonable? In the event that Bill 98 becomes

law, someone eventually will be obliged to do so.

Interjections.

The Acting Speaker: Order.

Hon. Mr. Sterling: Would the member care to explain why, under his proposed act, a government agency would be under obligation to provide records even if the information they contained already exists in a published form or is otherwise publicly available? Does the member for Kitchener believe that by turning the government into a vast clearing house of already available information he is increasing its openness and accountability to the people?

These are small points, and I admit they are small points, but I raise them for a purpose. They illustrate how an initiative such as access to information and protection of privacy can be swiftly transformed from a public benefit to a public burden if great care is not taken.

I freely admit that my proposed bill has met with some delays. However, this is due not to a lack of commitment to the principles of government openness and accountability but, rather, to the extensive deliberations and consultations that I have undertaken and that have been necessary to ensure that such legislation does not become a public liability. Freedom of information is an evolutionary process, a process that should be introduced cautiously so that it does not infringe, particularly the rights of individuals.

Bill 98 is big and imprecise. It provides little direction for the exercise of disclosure decisions and depends repeatedly on conditions of reasonableness, conditions that allow discretion rather than provide firm criteria. It establishes cumbersome and very involved access procedures, with lengthy or indefinite time frames and redundant notification requirements. It heralds the principle of an independent review; yet to accommodate this principle it creates three new administrative bureaucracies, the functions of which are neither defined nor mutually independent.

Finally, in case the review agencies prove to be insufficient it establishes a right of appeal to the courts. By so doing it not only promises to delay access decisions, backlog our judicial system and incur unnecessary costs but also ignores the practical and political reality of a minister's accountability and imposes an appeal structure that is fundamentally incompatible with our parliamentary heritage. I do not believe that this tradition of our parliamentary system

should be amended or changed at this time in our history. Rather than try to imitate the American model—

Mr. Cassidy: How can you be in charge of freedom of information and not—

Hon. Mr. Sterling: Why don't you listen?

Mr. Cassidy: I am listening, and what you are saying is really appalling. It is a disgrace to this place.

The Acting Speaker: Order. The minister has one minute.

Mr. Cassidy: It is, you know. Why don't you just quit it?

The Acting Speaker: Order.

Hon. Mr. Sterling: Rather than try to imitate the American model or those of other jurisdictions, I believe it is essential that we improve our system within the parliamentary framework. Bill 98 would unnecessarily increase government bureaucracy and, in its use of the courts as a final level of appeal, impose an American model on a parliamentary democracy. To a great extent, the member's proposed legislation is derivative.

Mr. Cassidy: You have succeeded, haven't you? You have delayed it through to majority government. Now you won't do anything. Boy! The old arrogance; just like before 1975.

The Acting Speaker: Order.

Hon. Mr. Sterling: It borrows uncritically from the assumptions and recommendations—

The Acting Speaker: The honourable member has used his allotted time. Thank you.

Mr. T. P. Reid: Mr. Speaker, I am really appalled at what the Provincial Secretary for Justice has read into the record. I can only say charitably that I hope somebody else wrote that speech for him. It is obvious that he is playing Charlie McCarthy to the Attorney General's Edgar Bergen and not doing a very good job of it. I feel sorry for him.

I have quite a bit of material here. In my hand I have a document of about eight pages. About six months ago I started going through and listing the chronology of this legislation or the concept of a freedom of information act before this Legislature, which started in November 1975. I will not bore members by reading it all, but the fact is that this has been kicking around for seven years. We are apparently a little closer to it, if the Premier's (Mr. Davis) word is to be believed, although sometimes when we hear some of his pronouncements we wonder.

I think it takes the most appalling nerve for

the minister to get up and say that my colleague's bill, which is 28 pages long, is vague. It is 28 pages long, well thought out, well researched and based on a number of bills that exist. The minister, on the other hand, does not have a bill after all these years—seven of them—to present to this House at this time, a bill of any kind—

Mr. MacDonald: He has, but he is sitting on it.

Mr. T. P. Reid: It has been chopped up and mutilated and strangled by the Attorney General. It is bad enough that they would do it here in Ontario, but the Attorney General's intervention at the federal level and across the country has led to the strangulation and delay of bills wherever one has not been passed so far.

A former and probably not acknowledged economic historian who used to teach at the University of Toronto, Harold Adams Innis, wrote a number of very interesting books on communication. He was the predecessor of Marshall McLuhan. It is interesting that he traced the history of communications and the history of power that went with it back through all the centuries and through various countries.

There was one thread that moved all through that historical perspective, which is that governments, to maintain themselves in control and to keep the populace down, kept them ignorant. For instance, he talked about the high priests in Egypt. They controlled access to information. They were the only ones with knowledge and, therefore, they were able to keep control; they were able to maintain power. We see this some 20 centuries or more later in this Conservative government's adherence to that kind of principle, living up to the old saying that all power corrupts. That is what it is.

I would like to read into the record from the book by Murray Rankin called *Freedom of Information in Canada: Will the Doors Stay Shut?* I would like to read two or three quotes. One of them, from James Madison, is quoted in the book:

"A popular government without popular information or the means of acquiring it is but a prologue to a farce or a tragedy or perhaps both." He certainly knew what he was talking about. Maybe he knew the Ontario Conservative government. "Knowledge will forever govern ignorance, and the people who mean to be their own governors must arm themselves with the power which knowledge gives."

There are others, but I want to read the one about judicial arbitration because the minister and I have had correspondence as to who is

going to have the ultimate authority to divulge or say whether it will be made accessible.

Rankin says on judicial arbitration: "Therefore, since in any theory a judge may act without fear or favour and is politically responsible to neither parliament nor the executive, it is felt that the controversial issues of the day may be safely entrusted to the judiciary for impartial consideration."

The minister, in our correspondence, has hung his hat on ministerial responsibility, saying that the ministers will not be able to stand the heat if the individuals in our society want some information. If they refuse it, then they have to take the political consequences. The minister well knows that the whole theory of ministerial responsibility gets more and more vague by the day, and that governments or individuals very seldom stand or fall on single issues. At least they have not done so far in this country.

5:30 p.m.

What we really need is an independent review rather than a minister. If I may narrow the focus down to one particular aspect, Mr. Speaker: you have not been in the House that long, but I have waged a campaign in this House for, literally, years to have public opinion polls, which are taken by the people opposite with taxpayers' money, made public and tabled in this Legislature so that information is available, not only to the opposition, but to the public at large. Then they could judge for themselves whether they are being governed by Goldfarb and on what basis this government is making its decisions; and we in opposition and the public would be provided with the same information the government has.

That campaign has gone on for six or seven years. The Premier stood in his place today and refused to make a policy that would make that information available to the people of Ontario and the opposition. The minister talks about his ministerial responsibility when the first minister of this province is refusing to make information available. My God, I have seen the polls that were finally released after all the trouble I went to, and there is nothing that damning in them except for the fact that the Premier does not make a move without a public opinion poll.

To underline the point, if I may, Mr. Speaker. I have had questions on the Order Paper, one since March 17. I will just read it into the record, "Inquiry of the ministry: Will the ministry table the public opinion polls commissioned by the government from February 1, 1981 to March 1, 1982? Will the ministry also provide the cost of

each poll and the company that took the poll?" That has been on the Order Paper since March 17. I was promised an answer by mid-May 1982. We are now at the end of May, and I still do not have it. When I get the information it will be outdated. And so it goes on.

The first minister is not responsible in this Legislature for these things, and yet the Provincial Secretary for Justice hides behind the canard of ministerial responsibility. I point out to him that the report of the Williams commission, which spent \$1.5 million doing a fairly wide review, was greeted by the then minister responsible, the member for Cochrane South (Mr. Pope), as being widely accepted, or accepted in principle, by the government. I made a submission to them at the time and they had the good sense and judgement to put that into the bill, and in their report they saw no reason that public opinion polls, for example, should not be made public.

The point of all of this is that the minister is not going to give us any information he thinks is politically advantageous to him. He never has and he never will, and that is the reason the bill is being held up.

We can deal with justice matters. The United States has had a bill since 1964. They have amended it substantially on three different occasions. It may not be perfect, but they have dealt with the criminal justice problem. I say to you, Mr. Speaker, that this government has held up this bill, has refused to bring it forward. We have had nothing but a list of promises. I have three pages of chronology here listing promises by the minister, his predecessor and the Premier about this, but still we have nothing.

I can only say that if the minister wants to regain any of his tattered reputation for being a relatively honest man and a courageous one, he will bring in the bill shortly, and it will also have provision in it for not a ministerial review but either a commissioner and/or a review to the courts.

Mr. Cassidy: Mr. Speaker, a year or two ago a journalist asked me, "What would be the first piece of legislation you would bring in if you became the Premier of Ontario?" I said, "A freedom of information bill." I said that because that talked about the kind of attitude I think government should have in this big, sprawling, regionally diverse province of eight million people. It talked about the kind of government we had and also about the problems that exist when a government has been around for some

time. Somehow governments do not like freedom of information and opposition parties do.

I was a bit critical of the minister when he was speaking because of the attitude he was taking, which was directly contrary to the attitude taken by the Clark government when it was in power briefly from 1979 to 1980. It is worth saying that if I have a regret about the brief spell in office of the Joe Clark government, it is that it made a priority of bringing in freedom of information, of implementing the crusade that Mr. Baldwin had led for so many years.

It made that a priority after it found out the bureaucrats would not act. It overrode them and wrote its own bill. It introduced a good bill into Parliament and was prepared to go ahead with it. I am afraid that then bogged down. I am glad there may now be a possibility that, despite the resistance of the federal Liberal Party to freedom of information, we may see a federal freedom of information bill. It will be long past time.

I was appalled by what the minister had to say because almost his only job is to be responsible for freedom of information. He is not heavily burdened in terms of other ministerial responsibilities. The Provincial Secretariat for Justice is not a front-line ministry; it is a thinking ministry. Freedom of information is a major area about which the minister should be responsible for thinking.

Every word he said in the debate here indicated, not that he has taken it as his mandate to find ways to implement freedom of information and to overcome certain problems that may attach to the concept of implementing it in the province, but that he has taken it as his mandate to find new reasons to apologize and to defend the position as to why freedom of information should not come here in Ontario.

The minister has had a reputation for being a bit to the left within his party. I guess he is losing that rapidly. Maybe he has been ambushed by the Attorney General as some people have said, or maybe he has been ambushed by the civil servants who do not want freedom of information to come in. That was as weak and as tired a list of excuses for freedom of information not coming in as I have heard in a long time.

The minister said it would be difficult for bureaucrats to implement. Of course it would, but the question is, do we at the political level tell the bureaucrats what to do or do the bureaucrats tell the government what to do and pull the wool over the government's eyes?

The minister said the cost was going to bother

him. It has not bothered the Swedes who have had this for some 200-odd years, the Americans who have had it for 15 years or the Joe Clark government. Now it appears the federal Liberals are prepared to bring it in. If bigger governments can bring it in, surely we can do so as well.

Is there a cost? Yes. Is the cost supportable? I would say yes, in the same way the costs of having this Legislature are certainly supportable for the province. If the minister wanted to say the Legislature is too costly and should be done away with, that is his prerogative. We know that democracy costs a bit of money. It is still a better system than any other system we can think of. I would hate to see a dictatorship in respect to information justified on the grounds that to make the information available would cost a few dollars.

The Lambert commission which reported two years ago in Ottawa, any number of royal commission reports and other reports have bemoaned the lack and the loss of accountability within governments today. This province has the second or maybe the third largest government in the country, next to Canada and possibly after Quebec. We have eight million people. We spend \$16 billion to \$18 billion. There is a whole host of crown corporations that operate under the wing of the government here.

It is too much for the ministry to control. It is too much for the opposition parties to be able to know what is going on, particularly in view of the stifling of information that now takes place. I speak on behalf of the parliamentary system and on the part of the province. We all need help. The kind of help we can have is with a freedom of information bill which will help to ensure more accountability simply by ensuring people know what is going on; do not leave it behind closed doors as is the situation we have right now.

5:40 p.m.

What we are seeing is a majority government syndrome. Prior to 1975, the government reflected the same attitudes that the minister did when he spoke a few minutes ago: information would not be good for us in the opposition, and it would not be good for the public. There was a feeling that somehow the government was set aside from the people of Ontario. I hope the members on the government side realize that government is not set aside; it is meant to work for the people of Ontario. Particularly in these days people should have knowledge of what is going on.

The final argument the minister gave was that

freedom of information would undermine the parliamentary system. What he is saying is that the tradition of the parliamentary system has been for the executive to have access to information which is not shared with the opposition parties nor is it shared with the public.

I would like the minister to recall that 60 or 70 years ago there were no more than 1,000 civil servants in Ontario. The government was very small and did not have much impact on most people's lives. That has changed and this Parliament, and the way information is handled by this government, ought to change as well. One of the strengths of the parliamentary system and one of the reasons it has persisted longer than any other system of government in force in the world today, is precisely that the parliamentary system has been capable of evolving and has been sufficiently flexible to adapt to new needs.

We have new needs now. We have a new environment in which government is working. We have a government that is now responsible, along with the federal government, for 30 or 40 per cent of the activities of the economy. Government affects everybody's lives, and therefore people do have a right to know what is going on. It is not the same as it was 20 or 50 years ago, and the minister should not summon up the arguments of 20 or 50 years ago in defending his refusal to move ahead with freedom of information.

There are serious problems today for parliaments, not just for this Legislature. Part of the reason is the attitudes reflected in what the minister has said and in the majority government syndrome we are now seeing: do not let the opposition have any handle on what is going on; shut them out; keep them blindfolded, and keep the people blindfolded as well.

That is not good. It breeds frustration and from frustration comes a kind of wranginess, a partisanship, an unproductive debate in this Legislature, which I for one deplore. I think it is very damaging to democratic institutions in this province. All of us are ashamed of what happens when schoolchildren come in and see us behaving like schoolchildren as we argue with each other every day in question period.

That is all we are left with if the people of the province and the members of this Legislature do not have access to the information on which government decisions are made. Information is power. The government knows that and therefore they are seeking to keep that information in their hands. However, I believe we cannot keep that much power in so few hands as the hands of

a government for so long without very grave possibilities of abuse. I believe that abuse is wrong in a democratic society and, in the end, will be damaging not just to the province and our democratic system but also to the Conservatives.

As members of this Legislature we all have a responsibility to try to ensure that the democratic system remains strong. That is why, despite the weaknesses that exist in this bill—and I am afraid they are numerous—we are endorsing it. For we do endorse, and have endorsed for many years, the principle of freedom of information.

I say to all government members on that side of the House, if they intend to rise in a few minutes to oppose the principle of this bill, bearing in mind that the bill can be fixed up in committee if there are problems with it; if they are endorsing that tacky attitude being taken by the Provincial Secretary for Justice, who is responsible for freedom of information and who has taken as his mandate to argue in every way possible against freedom of information, let them remember that they are also arguing against some of the best instincts of the Progressive Conservative Party of Canada which, in its first weeks in office in 1979, introduced an excellent freedom of information bill.

No bill is the last word. It can always be improved, but that improvement will only occur through experience of actually having a bill.

I plead with members on the government side not to be schizophrenic with their federal colleagues but to stand with their federal colleagues, as the Joe Clark government did in 1979, and endorse the member for Kitchener's bill.

Mr. Eves: Mr. Speaker, I rise today not to speak against a freedom of information bill, but against Bill 98 in particular. I would like to address the member for Rainy River (Mr. T. P. Reid) in his reference to question 13 on the Order Paper. I am advised by the Premier's office that the answer to that question will be tabled in the Legislature tomorrow, and it is still mid-May.

There are two broad issues, as I see it, with respect to Bill 98. One is the right of the public to access to government-held information. The other is that certain confidential personal information should be protected. We have two issues: freedom of information and protection of individual privacy. In this computer age there is a growing public concern over inadequate control in regard to privacy, and it is to this

privacy protection part of the bill that I will direct my remarks.

The merits of disclosing a particular item of personal information must be carefully evaluated and balanced against the competing concern that information about individuals remain confidential to protect their interests as well. The process of deciding whether information should or should not be released or disclosed should be set out in statutory framework criteria that are clear, accurate and relevant. In my opinion, Bill 98 does not adequately provide such criteria.

"Personal information" in the bill itself is defined to mean "recorded information about an identifiable individual;" and then there is a long list of inclusions and exclusions that, in my opinion, serve to confuse rather than clarify the issue. Perhaps the member for Kitchener doubts the ability of public servants to apply a broad principle, but it would be preferable to establish a clear and uncomplicated formula. The present wording of Bill 98 lacks precision and clarity.

If one compares section 12 and the definition dealing with personal privacy in part II of the act, protection of individual privacy, and the definition of fair information practices which are to be followed by government agencies, one is left to conclude there are two standards. One is to be considered when the government responds to a request for access to personal information, and the other to be followed as a matter of general policy.

This is a somewhat fragmented approach to the subject. There are sections of the act that call for disclosure of personal information in compelling circumstances and disclosure for research if the purpose of the research justifies the risk to the individual, but the act does not indicate who decides what is compelling or what is justifiable.

There is also a section dealing with what is desirable in subjecting the activities of the Ontario government to public scrutiny. The privacy of the individual may well be violated for the purpose of government accountability, as I read the proposed legislation. It is imperative that this Legislature define the criteria precisely and accurately, so that individuals, the government and the courts can understand them and use them to best advantage.

The proposed section with respect to disclosure of confidential, private information, which will be justified in the present bill if it goes through, promoting informed choice in the

purchase of goods and services, is seriously lacking. I do not understand the rationale of the member for Kitchener on that subject. I would hardly think that an invasion of privacy is warranted on the grounds that I might be able to select a better automobile or refrigerator. I just do not feel that is a strong enough reason to invade somebody's personal privacy.

5:50 p.m.

Certainly there are consumer reports and protection agencies which adequately protect the public in that regard. I think we have to balance these concerns of disclosure and confidentiality. Admittedly, this is a very sensitive and difficult balance to strike. It is sensitive because it is a fundamental right of the individual that is at stake. It is difficult, because the balance is not static but will shift according to the circumstances of each individual case.

I think the present bill does not accommodate such flexibility. The Williams commission recommended that considerations of personal data confidentiality are somewhat less, for example, when applied to public servants. It came to the conclusion that because public servants are paid from the public purse they would have to surrender certain privacy claims as a condition of their employment. Bill 98 does not address this particular issue.

This proposed privacy scheme would seriously hinder the legitimate and necessary use of personal data by the government for management and administration of its personnel.

Mr. Nixon: It is a little hard to make a speech in here isn't it?

Mr. Eves: It certainly is.

I think the definition of the term "fair information practices" leaves something to be desired in Bill 98.

To sum up, I feel that the honourable member's bill really poses more problems and questions than it answers. I think what we need is a clear, unambiguous and well-defined framework which will balance confidentiality with freedom of information.

BIOTECHNOLOGY ADVISORY COUNCIL

Mr. Speaker: Mr. Stevenson has moved resolution 19.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

The House divided on Mr. Breithaupt's motion for second reading of Bill 98, which was negatived on the following vote:

Ayes

Bradley, Breaugh, Breithaupt, Bryden, Cassidy, Cooke, Copps, Cunningham, Eakins, Elston, Grande, Johnston, R. F., Kerrio, Laughren, MacDonald, Mackenzie, Mancini, Martel, McClellan, McGuigan, McKessock, Miller, G. I.;

Newman, Nixon, Peterson, Philip, Reed, J. A., Reid, T. P., Renwick, Riddell, Roy, Ruprecht, Ruston, Samis, Spensieri, Stokes, Swart, Van Horne, Wildman, Worton, Wrye.

Nays

Andrewes, Ashe, Barlow, Bernier, Birch, Brandt, Couzens, Dean, Eaton, Elgie, Eves, Fish, Gordon, Gregory, Harris, Havrot, Henderson, Hodgson, Johnson, J. M., Kerr, Kolin, Lane, Leluk, MacQuarrie, McCaffrey, McLean, McNeil, Mitchell, Norton, Piché, Pollock;

Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Shymko, Snow, Sterling, Stevenson, Taylor, G. W., Treleaven, Watson, Williams, Yakabuski.

Ayes 41; nays 45.

BUSINESS OF THE HOUSE

Hon. Mr. Gregory: Mr. Speaker, prior to your leaving the chair, as is customary I would like to indicate the order of business for the remainder of this week and next week.

Tonight is the budget debate. On Friday, May 28, we will have estimates of the Ministry of Northern Affairs.

On Monday, May 31, we will continue those estimates until 6 p.m. In the evening, we will have Bill Pr3 and Bill Pr7 for all stages, followed by second reading and committee on Bill 9 and Bill 28.

On Tuesday, June 1, in the afternoon we have a no-confidence motion by the deputy leader of the New Democratic Party; and Tuesday evening legislation continues from Monday, followed by second reading and committee of the whole House on Bills 92, 62 and 46.

On Wednesday, June 2, the usual three committees may meet in the morning: administration of justice, general government and resources development.

On Thursday, June 3, in the afternoon there are private members' ballot items standing in the names of the member for Scarborough West (Mr. R. F. Johnston) and the member for High

Park-Swansea (Mr. Shymko); and Thursday evening there is third reading of Bill 36, Bill 6 and any other bills awaiting third reading. Then we will continue legislation from Tuesday, followed by second reading and committee on

Bill 84 and Bill 26.

On Friday, June 4, there are estimates of the Ministry of Northern Affairs.

The House recessed at 6:04 p.m.

The House resumed at 8 p.m.

BUDGET DEBATE
(continued)

Resuming the adjourned debate on the amendment to the amendment to the motion that this House approves in general the budgetary policy of the government.

Mr. Nixon: Mr. Speaker, may I draw to your attention that there does not seem to be a quorum?

Mr. Speaker ordered the bells to be rung.

8:08 p.m.

Mr. Speaker: Lock the doors please.

Clerk of the House: There is not a quorum present.

Mr. Speaker: We do not have a quorum. Therefore, this House stands adjourned until 10 a.m. tomorrow.

Before the members leave, I would ask them all to come to the table and sign their names please.

The House adjourned at 8:09 p.m.

CONTENTS

Thursday, May 27, 1982

Statements by the ministry

Pope, Hon. A. W., Minister of Natural Resources:	
Industrial minerals production.	2044
Timbrell, Hon. D. R., Minister of Agriculture and Food:	
Assistance to beef producers.	2042
Wiseman, Hon. D. J., Minister of Government Services:	
Government construction.	2044

Oral questions

Davis, Hon. W. G., Premier:	
Tax burden , Mr. Foulds, Mr. Peterson.	2049
Public opinion polls , Mr. T. P. Reid.	2053
Tax burden , Mr. Cooke, Mr. Wrye.	2054
Norton, Hon. K. C., Minister of the Environment:	
Hydro exports , Mr. Peterson, Mr. Foulds, Mr. Elston.	2045
Acid rain , Mr. Elston.	2055
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
University tuition fees , Mr. Peterson, Mr. Cooke, Mr. Wrye.	2047
Taylor, Hon. G. W., Solicitor General:	
Police role in strikes , Mr. Foulds, Mr. Wrye, Mr. Mackenzie.	2051

Reports

Standing committee on resources development , Mr. Harris, agreed to.	2056
Standing committee on general government , Mr. Dean, agreed to.	2056

Motions

Committee sittings , Mr. Gregory, agreed to.	2056
---	------

Private members' public business

Ontario Biotechnology Advisory Council , resolution 19, Mr. Stevenson, Mr. McGuigan, Mr. Cassidy, Mr. Andrewes, Mr. J. A. Reed, Mr. Di Santo, Mr. Dean, agreed to.	2056
Freedom of Information and Protection of Privacy Act , Bill 98, Mr. Breithaupt, Mr. MacDonald, Mr. Sterling, Mr. T. P. Reid, Mr. Cassidy, Mr. Eves, negatived.	2068

Other business

Mailing of government advertising , Mr. Bradley.	2041
Safety of office equipment , Mr. R. F. Johnston.	2041
Members' rights , Mr. Speaker.	2042
Visitors , Mr. Gregory, Mr. Wildman.	2042
Notice of dissatisfaction , Mr. Ruston.	2056
Answers to questions on Notice Paper , Mr. Gregory, tabled.	2056
Business of the House , Mr. Gregory.	2080
Recess.	2081
Adjournment.	2081

SPEAKERS IN THIS ISSUE

Andrewes, P. W. (Lincoln PC)
Ashe, Hon. G. L., Minister of Revenue (Durham West PC)
Bradley, J. J. (St. Catharines L)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
Davis, Hon. W. G., Premier (Brampton PC)
Elston, M. J. (Huron-Bruce L)
Eves, E. L. (Parry Sound PC)
Foulds, J. F. (Port Arthur NDP)
Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. G. (Niagara Falls L)
Leluk, Hon. N. G., Minister of Correctional Services (York West PC)
MacDonald, D. C. (York South NDP)
Mackenzie, R. W. (Hamilton East NDP)
Martel, E. W. (Sudbury East NDP)
McGuigan, J. F. (Kent-Elgin L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)
Peterson, D. R. (London Centre L)
Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
Reed, J. A. (Halton-Burlington L)
Reid, T. P. (Rainy River L-Lab.)
Roy, A. J. (Ottawa East L)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Sterling, Hon. N. W., Provincial Secretary for Justice (Carleton-Grenville PC)
Stevenson, K. R. (Durham-York PC)
Stokes, J. E. (Lake Nipigon NDP)
Swart, M. L. (Welland-Thorold NDP)
Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)
Timbrell, Hon. D. R., Minister of Agriculture and Food (Don Mills PC)
Turner, Hon. J. M., Speaker (Peterborough PC)
Wildman, B. (Algoma NDP)
Wiseman, Hon. D. J., Minister of Government Services (Lanark PC)
Wrye, W. M. (Windsor-Sandwich L)



No. 59

Ontario, LEGISLATIVE ASSEMBLY

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament
Friday, May 28, 1982

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Friday, May 28, 1982

The House met at 10 a.m.

Prayers.

PRIVATE INVESTIGATORS AND SECURITY GUARDS

Mr. Mackenzie: On a point of privilege, Mr. Speaker: Yesterday, at the end of the session, I believe the Solicitor General (Mr. Taylor) may have inadvertently misled the House. I ask your ruling on this.

I asked whether he was prepared to bring in legislation amending the Private Investigators and Security Guards Act to prevent types of undercover activities from going on in future in labour disputes where the rights of workers are at stake. The response of the minister was, "On the last question, there is a draft piece of legislation put forward that will be coming forward in regard to the Private Investigators and Security Guards Act."

My question was specific in dealing with this problem where, according to testimony before the board, a chap was blowing up the railway tracks into the plant. Incidentally, he has just been relicensed. Inasmuch as the amendments to the act we have been given contain nothing to deal with this kind of situation, I am wondering whether the minister inadvertently misled this House.

Hon. G. W. Taylor: Mr. Speaker, on that matter I was indicating to the member that there was a piece of legislation being introduced. I do not think in the answer I gave at that time was any indication that it would be correcting that situation. I was indicating that there was a piece of legislation which had been introduced previously by another minister in this capacity regarding those activities.

I cannot say it will clear up the activity the honourable member has spoken of, except that a new piece of legislation will be introduced in the Legislature with respect to the legislation under which security guards and private investigators operate, regarding the performance of their duties. It will not correct the activity stated by the member. There will not be any piece of legislation in regard to that style of activity in that it is an activity performed by private security investigators and by private

investigators, be they hired by a union, a corporation or anyone in their activity as private investigators.

While I am on the matter, I have not found it yet but I was going over the answer—

Mr. Speaker: Order. Did the member for Hamilton East—

Mr. Mackenzie: There is a further matter.

Mr. Speaker: I think you have raised your point of privilege and it has been responded to. You are not supposed to debate it, as you know.

Mr. Mackenzie: On a point of privilege, Mr. Speaker: I believe another matter has arisen as a result of this. It is the allegation here and to the press after question period yesterday that unions also might be involved in putting undercover agents in a picket line situation. I would like the minister to name one or to give us some background on that. I have certainly never seen it in all my years in the trade union movement. That is a slur on the trade union movement.

Mr. Speaker: I am sure the Solicitor General will take note of your concern and respond at the appropriate time.

Mr. R. F. Johnston: It is not the role of the minister to cast aspersions.

Mr. Speaker: Order. Neither is it my role, as I pointed out in my ruling yesterday. I would hope all members would take note of that. Does the Solicitor General have a statement?

Hon. G. W. Taylor: Mr. Speaker, I have just received a copy of the answers to the questions yesterday on this matter. I have not found the exact spot but there was some request of me by the newspaper reporter as to whether I indicated the company employing the services of the security firm was the one being informed. That was not correct. The registrar would inform the company that employs the registered security investigator, not the contracting persons.

There was some confusion by the reporters asking me that question. I would like to clear that up as a point of clarification. The registrar informs the company that is the employer of the registered security guard, not the company, firm or individual that is contracting the services of that licensed person.

10:10 a.m.

ORAL QUESTIONS

SUNCOR PRACTICES

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Energy. The minister is no doubt aware that when his government purchased a piece of Suncor last year the tar sands plant was the largest emitter of sulphur dioxide in western Canada. In fact, it was the ninth largest in Canada, emitting some 93,000 metric tons per year.

He is aware that at that point the company was engaged in negotiations with Diamond West Energy Corp. to involve some technology that would go a long way to reducing those emissions, up to some 85 per cent. He is also aware that in April 1982 that contract was cancelled, resulting in a lawsuit against Suncor.

Why would the minister not have used his influence through his directors on the board of Suncor to make sure they went ahead with that technology, to clean up some of those emissions and to further show and prove his government's strong commitment to environmental concerns?

Hon. Mr. Welch: Mr. Speaker, the Leader of the Opposition will understand that matters of litigation are usually left to courts to resolve. Indeed, this would appear to be the subject matter of some litigation and we might well leave it with the courts to adjudicate as to the outcome of that.

With respect to the preamble of the question, it is my understanding that this company does comply with the standards with respect to air quality control which are established by the government of Alberta but, notwithstanding that, it continues to seek ways to further reduce its levels of emission.

Mr. Peterson: The minister has been aware of this impending lawsuit for a considerable length of time now. The writ has been issued just recently. He is aware that the ostensible reason given by Suncor to Diamond West for the cancellation of that contract was that Mr. Lewis, the Suncor technical division head, in a conversation with Mr. Bovers, the chairman of Diamond West, said, "We can't bring in this technology here, because we have a bunch of Newfy fishermen here who don't know how to make this place work." He was saying they do not have the competence to run what they already have, let alone bring in new technology to reduce sulphur emissions. Is the minister aware of that? What is his response?

Hon. Mr. Welch: Mr. Speaker, as the honourable member knows, the day-to-day operations of this company are left with the management. I am sure there are a number of decisions which management has to make from day to day.

The information I have categorically denies that the company made that statement; however, we are not involved in the day-to-day management. I repeat, it is my understanding that this company complies with the law of Alberta with respect to air quality and any litigation that has been commenced will be decided by the courts and not here in the Legislature.

Mr. Peterson: Does the minister not honestly feel in retrospect, now that he has some hindsight on this whole question, that this, in conjunction with so many other problems, has turned out to be a terrible embarrassment for him? He is not prepared to come in and be forthcoming on these questions in the House. He has never answered a question on the subject of Suncor in a straight and forthcoming way.

Does the minister not feel now, given all the other problems he has, that it is time to start the process of at least trying to disinvest, trying to get rid of the government's interest and let other people, who are at least competent and care about the situation, try to run it?

Hon. Mr. Welch: No.

Mr. Peterson: He has learned his lessons well at the foot of the Premier (Mr. Davis), has he not, Mr. Speaker? I have a question for the Minister of Education.

Hon. Mr. Davis: You could do with a little instruction.

Mr. Peterson: The Premier is still gloating about Shannon Tweed, is he not?

Hon. Mr. Davis: Jealousy will get you nowhere.

Mr. Peterson: Why is it the Premier came in yawning all morning? That is what I want to know. I want the Premier to know that I only read the articles in there; I do not look at the pictures. I do not know as much about her as the Premier does, but I do compliment him on his taste.

Mr. Nixon: What is she really like?

Mr. Speaker: Now for the question, please, unless that was the question.

Mr. Peterson: Jimmy Carter lusted in his heart; the Premier is lusting openly. That is the difference.

Hon. Mr. Davis: Speak for yourself.

Mr. Peterson: I know nothing about these

things. I am a very happily married man. I have three small children and a cat.

Hon. Mr. Davis: I am still ahead of you. We have five children and two grandchildren.

Mr. Peterson: You are ahead of me now but I have momentum, believe me.

Hon. Mr. Davis: I will believe that when you reach five.

Mr. Speaker: I am sure these biographies are very interesting. However, having said that, I draw the Leader of the Opposition's attention to the fact that it is question period. A new question, please.

Mr. Peterson: I cannot think of a question, I am so flabbergasted.

Mr. Speaker: Try.

Hon. Mr. Davis: She did not distract me that much.

Mr. Peterson: Well, the Premier has been acting funny for the past 24 hours.

SKILLS TRAINING

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Education. I had the opportunity to tour Babcock and Wilcox recently. The minister will be aware that it is one of the few factories operating at full capacity in this province, with three shifts a day, seven days a week. However, they are in such a difficult position with respect to skilled labour that they had to spend \$300,000 of their own money searching for welders. They advertised all across Canada and could find none, and had to go to England to bring in some 40 welders to work in their factory.

How does the minister feel that speaks about the educational and apprenticeship programs here? Does she not feel she should stand up and say that we have a very important and big role in government to train those technical people for the jobs that are available?

Hon. Miss Stephenson: Mr. Speaker, if the honourable member were aware of the kinds of things that have been going on he would know we have already assumed a great deal of responsibility in that area. The number of industrial apprentices has moved dramatically from almost zero to nearly 4,000 in the short period of three years.

I think the specific problem regarding welders has been exacerbated in the past several months—

An hon. member: That's a big word.

Hon. Mr. Davis: At least it is good grammar. "Disinvest" I do not think is a word.

Mr. Speaker: Ignore the interjections, please.

Hon. Miss Stephenson: Mr. Speaker, I confess to being somewhat discombobulated by this total emphasis by the Leader of the Opposition on Playboy magazine and certain female attributes—

Mr. Peterson: She is just jealous because she never made it.

Hon. Miss Stephenson: I would never have aspired to that because I could not have. I do not have unrealistic expectations. However, when the member speaks about momentum I would like to remind him that it will take him a lot of momentum to reach six children, and he will never have achieved the momentum that a female has in producing them.

The problem of welders is one of which we are very much aware. The apprenticeship branch and the community colleges have been pursuing actively an increase in numbers of recruits to that program. We train in many of these areas for Canada without vigorous support, in some instances, from either the federal government or other provinces. We will continue to do that, but it seems to me that we do not have any licence to tell those who are trained in Ontario that they absolutely must remain in Ontario. One of the cornerstones of the new Charter of Rights in this country is that mobility is a right of individual Canadians.

Obviously we are going to have to continue to train and to recruit more vigorously in many directions, and that is one of them.

Mr. T. P. Reid: Mr. Speaker, it must be payday or something around here, or somebody is spiking the Ontario apple juice. Everybody is in such a good mood. However, I will see what I can do to end that.

Has the minister seen the article in the Sun this morning about her colleague the Minister of Revenue (Mr. Ashe) recruiting computer specialists in England at great expense to the taxpayers? Is she aware that her own government is seriously short of skilled computer experts? We heard that before the standing committee on public accounts and it is reinforced by this article.

What is the minister herself doing to ensure that we have skilled people in the government of Ontario? What programs is the ministry running? Why are we not producing more people in the school system of Ontario and directing them

and telling them where the job opportunities are?

10:20 p.m.

Hon. Miss Stephenson: Mr. Speaker, I am aware of the article in the Sun this morning which recounts certain activities on the part of ministries. I remind the honourable member that computer science, computer programming and a number of the related or relevant activities in that area share a worldwide shortage. This is not a matter that is a problem only in this province or just in Canada or just in North America; it is a problem in all jurisdictions at this point.

Mr. T. P. Reid: I hope they don't find life on Mars.

Hon. Miss Stephenson: I am sorry, but this is a fact. In addition, the member undoubtedly knows, if he read the article beyond the headline, that there are 4,500 university students in computer science right at this point. The enrolment numbers have been increasing dramatically each year for the past several years and probably will continue to do so.

In addition, the community colleges have been making a vigorous effort to develop the kind of technological programs that provide for computer programmers and computer support staff, and they have been doing a very good job.

Unfortunately, the article suggests there has been no survey of graduate placement in post-secondary areas since 1979. There is one covering the period up to November 13, 1981, which demonstrates that in the first couple of years the graduate placement was unfortunately not as effective as it might have been, but it certainly has been in 1980 and 1981.

We shall continue our efforts to interest young people in that kind of career choice and to provide training programs to permit them to enter it.

Mr. Grande: Mr. Speaker, when will the ministries of Education and Colleges and Universities come to the determination that the apprenticeship system in place right now is an utter and complete failure? There are two simple reasons for that. One is that at this time we have a 75 per cent drop-out rate in the apprenticeship system because of the economic times and the fact that employers fire the apprentices first.

Second, does the minister not understand that once the students have gone through their training they do not have any guarantee that the employers are going to guarantee jobs for them?

Hon. Miss Stephenson: Mr. Speaker, I am not sure an employer could ever guarantee a job, but I am certain there could be a number of activities related to the guaranteeing of the maintenance of the training program for apprentices, even during economic downturns.

I have to remind the honourable member that within some contractual arrangements between trade unions and companies, if there is an economic downturn, the apprentices are those who are let out first. We have been trying to work with the Ontario Federation of Labour to devise mechanisms that would ensure this did not happen. Surely one of the greatest opportunities during economic downturns is to provide training for people in order that we will be ready for the economic upturn when it occurs.

In addition, we have been working with the federal government to try to find ways to assist employers to ensure that during economic stasis there is some support for the maintenance of training programs through apprenticeship.

Mr. Nixon: Mr. Speaker, referring back to the original question dealing with Babcock and Wilcox, does the Minister of Education not consider that this company has a special responsibility, since it has done hundreds of millions of dollars of work with Ontario Hydro in manufacturing our boilers, some of them for the second time over, and that it probably should have a leading system of apprenticeships rather than the inadequate system it has at present?

Does the minister not feel that she has a special responsibility to see that this company is leading the other industries in the province in establishing an apprenticeship program that could turn out the welders with the very special and precise knowledge that is necessary for the atomic industry, which could then be transferred to our other high-technology industries, rather than sitting back and saying there is nothing she can do and the federal government is not giving enough leadership?

Hon. Miss Stephenson: Mr. Speaker, I certainly did not say that there was nothing we could do and that the federal government was not doing anything. There has been some kind of inertia which it has been necessary to overcome, and I am slightly optimistic that we are in the process of overcoming it.

Mr. Nixon: How long have you been Minister of Education?

Hon. Miss Stephenson: Almost long enough to find out what goes on in Ottawa. At any rate, the specific concern we have is that not only

Babcock and Wilcox but also every employer in this province, manufacturing any kind of product, should be training toward its own self-sufficiency. Every company should be doing that.

I do not think one can single out one company above another, because there are some that are doing an absolutely superb job. I am pleased to tell you, Mr. Speaker, that a number of companies have become actively involved in apprenticeship training in the past two years. But it is my concern; it is a concern that was expressed by the Ontario Manpower Commission and by this government.

Is it rational to consider a levy grant system when we know for a fact that it would add an additional 20,000 public servants to make it function within Canada and would not be a positive force, because Britain is considering closing down its levy grants?

Mr. Nixon: Your program is useless; it is a waste of money.

Hon. Miss Stephenson: No, it is not. The member is wrong, and I will be glad to prove it to him.

HOSPITAL FUNDING

Mr. McClellan: Mr. Speaker, you will be appalled to know that I had the opportunity to visit the beautiful community of Peterborough on Wednesday and I have a question for the Minister of Health.

Is the minister aware that the St. Joseph's General Hospital in Peterborough had a deficit in 1981-82 of \$495,000 and is projecting a deficit in 1982-83 of \$632,000 and that as a result of this deficit position the board of directors of that hospital has taken the decision to cut an entire surgical ward out of the hospital? They are going to cut 43 surgical beds, which is the entire men's surgical ward.

The board has already given layoff notices to 64 members of the hospital staff; they have received their termination notices. That total comprises 34 nurses, 27 hospital workers and three office staff.

Is the minister aware of this appalling event? If he is, and I believe he is, can he assure the House today that he does not intend to allow this major hospital cutback to take place? Will he advise the House what measures he intends to take to restore to the hospital the resources to keep that hospital open and operating at adequate capacity?

Hon. Mr. Grossman: I think it is important—

Hon. Mr. Davis: David, don't lose your momentum.

Hon. Mr. Grossman: Lose momentum? On the way to the graveyard?

I am sure the member will share with me the concern—

Interjections.

Mr. Speaker: Order.

Ms. Copps: Where is Frank Miller, Larry? I guess you've stepped back to number one.

Hon. Mr. Grossman: I am sure the member for Bellwoods will agree with me that the hospital—well, he will not agree with me, but I think the hospital's activity, in trying to get more money out of the ministry to suit its own particular view of its demands, is inappropriate. I think if we were to fund hospitals on the basis of threats to lay off workers or to close wards, then obviously my ministry's budget could be doubled or tripled in size. We cannot carry on business that way and we cannot allow the system to operate that way.

We have succeeded in building a health care system in this province based upon co-operation between hospitals, which understandably always want more money, and the government, which tries to balance that off with what it believes the hospitals need. If we move from that to a system whereby hospitals feel they can manoeuvre more money out of us by threatening to close wards or wings or lay off people, then the system obviously becomes one in which we lose all control.

The hospital currently has a further appeal before the ministry for more funding. We are not about to underfund any hospital, nor are we about to give any hospital more money than it needs to properly operate. Therefore, more properly, the hospital ought to meet with us, as we have invited them to do and as we are going to do, to further their appeal to the ministry and to try to sort out which of their demands and requests are appropriate and which are not.

I can assure the honourable member, as I have assured the honourable Speaker of this assembly who has raised this matter on many occasions with me, that we will fund this hospital to the appropriate level. We will not fund the hospital on the basis of the threats they make to us, nor any other hospitals because of threats they may make to us.

10:30 a.m.

Mr. McClellan: Does the minister not understand that this hospital has already taken this action? The staff have already received their

termination notices. I believe the effective closing date is July 1 and this community is faced with the loss of a little less than half of its surgical beds in one of its two hospitals at a time when, on any given day, one can go into the emergency department either at St. Joseph's General Hospital or at the Peterborough Civic Hospital and find between 10 and 15 patients lying on stretchers—they are not in the hallways any more, they are in the treatment rooms of the emergency department—waiting for admission.

The hospitals are already overcrowded, already pushed and strained to the limit, and this impending cutback is going to be a catastrophe for the health care system of that community. Does the minister not understand that? Is he not prepared to personally intervene and make sure this does not happen?

Hon. Mr. Grossman: If the member is suggesting that because of the layoffs for which notices have been given, the ministry simply write a cheque for whatever the latest request is—

Mr. Martel: Don't be silly.

Hon. Mr. Grossman: What is the alternative?

Mr. Martel: Why don't you go down and meet with them?

Mr. Speaker: Order.

Mr. Laughren: You're the Minister of Health.

Hon. Mr. Grossman: Quite properly, the House leader for the NDP says, "Why don't you go down there and meet with them?" May I say that is the appropriate route. The ministry has been meeting with the hospital on an ongoing basis as recently as May 10. Notwithstanding that continuing series of meetings, during the course of those meetings, the hospital chose to serve notice of layoffs. The House leader for the NDP now regrets his intervention because he points out exactly the problem.

Mr. Martel: No, I don't regret it at all because you tried to play a game but finally, as you always do, you covered up. You should have answered the question straight in the first place.

Mr. Speaker: Order. I would remind the member for Sudbury East (Mr. Martel) he is completely out of order and I shall not caution him again.

Mr. Martel: He shouldn't answer my interjections either.

Mr. Speaker: That is enough.

Hon. Mr. Grossman: May I say very simply if it is the position of the health critic for the NDP, who spent some time down in Peterborough

yesterday, that we should give all the money that St. Joe's hospital is currently demanding, then he should really stand up and say that. If he is suggesting we give them the necessary amount that we believe is appropriate to continue to fund that hospital, then he should say that, because if he says the latter, then that is exactly what we are in the process of doing.

There are some hospitals throughout the system that, from time to time, take what I think to be inappropriate steps by way of closing or threatening to close wings, knowing that will bring this kind of public pressure upon the ministry and may lever more money out of the ministry than is appropriate. I do not think that is fair to the taxpayers or the citizens in that area.

May I also say that if the member believes that on each and every day of the year, or even on a majority of days during the year, there are patients lying in hallways or in emergency wards when they should be lying in beds in rooms in those hospitals, then with all due respect he does not have an appropriate picture of the situation. If he was given that information yesterday in Peterborough, then I am afraid he is lacking some information. That is all I can say.

Ms. Copps: The minister has recently introduced a program which is supposed to allow hospitals to generate revenues to catch up on some of these cash shortfalls. Does the minister not understand that for small-town hospitals, in places like Peterborough, Brockville, Timmins, etc., the ability to generate revenue from the initiative introduced in the business-oriented new development program is certainly not the same ability one would experience in a big city like Toronto? They cannot do things like charge for parking. They cannot generate revenue by charging for gourmet meals. The minister has to come up with a more comprehensive plan for financing all our hospitals across Ontario.

What does the minister suggest for communities like Peterborough which cannot take advantage of his so-called revenue generating schemes in the BOND program?

Hon. Mr. Grossman: As I said in my speech to the Ontario Hospital Association last week, I expect the major emphasis and advantage of the BOND program to be not on the revenue-generating side but on the rationalization, or savings, side.

Quite frankly, that is one of the problems we face in Peterborough. In that community, two hospitals may now be encouraged for the first

time to get quite serious about seeing if they can rationalize some of their facilities from the standpoint of saving some money and ending up with a budgetary surplus; not because they have generated more revenue out of parking lots but because they have found a way to run their hospitals more efficiently by working together a little better. I want to make it clear that I believe BOND will do more to save money than to generate money.

In that same speech I made to the OHA, I repeated what I have said on many occasions; that I believe BOND will impact differently on hospitals throughout this province, particularly the hospitals in smaller communities whose revenue-generating base potential, as the member quite properly indicated, is limited.

We are going to monitor the program as I believe it will need some adjustment and alteration at the conclusion of this year. I have invited the OHA, through its constituent hospitals, to meet with us after another few months of the program to review its current status, how it is impacting and to advise us on how we might better adjust to address those very concerns in the next fiscal year.

Mr. McClellan: I am a little disappointed that the minister has chosen to impute the most cynical kind of motive to the administration of St. Joseph's General Hospital and has combined that with an innuendo with respect to mismanagement. I do not intend to get into that kind of slanging match.

I ask the minister, is he aware that because Peterborough is increasingly a very attractive retirement community for many citizens across this province, it has an increasing proportion of retired citizens who place an additional cost upon the health care services in that community? Does the minister not understand that? Does he not understand that the problems at St. Joseph's are related as much to the demographics of the community as to anything else?

When does the minister intend to make up the deficit of extended care beds for that community, which has between 60 and 80 extended care beds for nursing homes, homes for the aged, etc.? Many of the problems in the hospitals are caused by the fact that there is a logjam and the hospitals are not able to discharge patients into nursing homes, homes for the aged or other appropriate extended care facilities. May we have a timetable as to when the minister intends to fill that need?

Hon. Mr. Grossman: I know the member would object very severely if we did not go

through the process of consulting with the community through the district health council, which is currently discussing the need to do a long-term care study with the two hospitals in the area. I think that is the appropriate mechanism to follow.

To put it in some perspective: The member should remember that a DHC study in 1980 indicated a need for an additional 15 chronic and 30 extended care beds. Since that time they have in fact received a number of new beds, with 60 already open as opposed to the 65 that were asked for as recently as two years ago. So it looks as though we are fairly up to date on that. None the less the DHC is considering doing an extended care—The member was not listening.

Mr. McClellan: It is not that I was not listening; I do not understand that nonsense.

Hon. Mr. Grossman: All right. Take a piece of paper and a pencil and write these figures down: 15 plus 50 is 65. That is the number that a council study in 1980 indicated was the necessary need for extended care beds in that year. Since that time, they have already opened 60 with more to come.

Mr. McClellan: We do have a Hansard service, in case the minister had not noticed.

Mr. Speaker: Order.

Hon. Mr. Grossman: That would indicate five, as 65 minus 60 equals five. The member suggests there is a—

10:40 a.m.

Mr. Martel: You are a real whiz kid solving all the problems.

Hon. Mr. Grossman: It's the new math.

Mr. McClellan: You have solved all the problems. You can sit down.

Mr. Martel: You are a virtual genius.

Hon. Mr. Grossman: It is like 34 minus 14 equals 20 seats.

Mr. Speaker: Order. Would the minister just address the question please. Never mind the interjections.

Hon. Mr. Grossman: I just want to indicate that the number of beds needed in the area is reviewed regularly. It was done as recently as two years ago, and the beds were provided. None the less, we feel there may be a need for additional beds in the area, and, therefore, the DHC is discussing with the two hospitals the need for another extended care bed study. The member would not want us to circumvent the DHC, which I know he believes in. He would

want us to go through that process. In terms of establishing the beds that may be needed in the next little while, the situation is in good hands and under control.

Before I sit down, lest the member suggests that it was unfair of me to allege or imply some mismanagement of the hospital, let me make it quite clear, as I have to the Speaker, that I am unhappy and think it is inappropriate for St. Joseph's General Hospital to serve these kinds of layoff and closure notices as a method of negotiating with the ministry. That is not how it should be negotiating with the ministry. The hospital may not like to hear me say that, but I am comfortable in saying it because we need co-operation and dialogue with them, not confrontation with them. It does not serve them, their patients or their citizens well.

EXTRA BILLING

Mr. McClellan: Mr. Speaker, I have another question to the same minister. I am tempted to ask him what he did to the Minister of National Health and Welfare that caused her to capitulate after only 120 minutes, but I will not ask that.

Mr. Speaker: Is that the question?

Mr. McClellan: No, it is not.

My question is whether the Minister of Health has been given a copy of a Goldfarb study that was done for the Ontario Medical Association, a survey on attitudes to health care in Ontario? During the course of the study the learned Mr. Goldfarb discovered that 70 per cent of the sample, and presumably 70 per cent of the people of this province, are opposed to extra billing.

Hon. Mr. Grossman: Is the question whether I was aware of that? No, I am not a Goldfarb addict as the member might be.

Mr. T. P. Reid: The Premier has a poll inside his Playboy magazine.

Hon. Mr. Davis: You know how hard Stuart tried to get Marty to do a poll for your party.

Mr. T. P. Reid: We couldn't afford it.

Mr. Breithaupt: He was booked for several years.

Mr. Speaker: Order.

Mr. R. F. Johnston: It's the Premier, Mr. Speaker.

Mr. Speaker: It's Friday.

Mr. McClellan: Since the minister has returned from Ottawa with his new pact with the federal government, which has capitulated entirely on

the question of extra billing, and the government has managed to con, or whatever, the federal government into accepting a position of "control" over extra billing, contrary, obviously, to the wishes of a majority of the people of this province, can the minister explain to me, or, if he cannot explain now, could he table in the House a document that would explain how a policy of control of extra billing will deal with the situation in terms of last year's figures, which are the most recent I have?

These figures tell us that 60 per cent of anaesthetists are opted out of the Ontario health insurance plan, as are 38 per cent of orthopaedic surgeons; 46.2 per cent of plastic surgeons; 33.5 per cent of psychiatrists; 39.8 per cent of obstetricians and gynaecologists; 44.3 per cent of ophthalmologists; and 41 per cent of urologists. They are all opted out and all extra bill. How is the policy of control going to get those doctors back into the Ontario health insurance plan?

Hon. Mr. Grossman: There were 11 ministers, including the representative of the territories, and the federal Minister of National Health and Welfare who agreed on that joint communiqué. Among that group of course is my good friend the Minister of Health and Social Development for Manitoba, Mr. Desjardins.

One of the reasons we were able to reach that agreement is we all agreed some of the numbers the member has cited by way of specialty are too high.

We agreed with Mme Bégin that we all shared totally her views with regard to universality and total access to the system, and that this meant one could not have too many opted-out physicians dominating any particular category, any particular specialty or any particular geographic part of the province.

As I have indicated publicly since I returned from that conference, I think that means the current numbers we see in some specialties and in some geographic areas of the province will not be satisfactory in meeting the goals that we as ministers of health seek to ensure are in place in our provinces.

That is obviously a matter I am going to have to take up with the Ontario Medical Association. I will be looking to it to deal with the variety of ways in which we may solve the geographic and specialty concentrations which are in some instances not satisfactory.

Mr. Wrye: Mr. Speaker, does the minister not feel it is a little unfair to opted-in physicians in this province to have to continue to bill the

ministry and wait eight to 10 weeks, sometimes as much as 12 weeks, for money whereas opted-out physicians can bill the patient on the spot and put the money in the bank that very day?

Does that not strike the minister as being a little unfair to those physicians who are treating the people of this province fairly and in a way they wish to be treated according to the Goldfarb survey?

What specifically does the minister intend to do? Which opted-out physicians, which opted-out anaesthetists does he intend to tell that they have to opt back into the program? Is he going to flip a coin? Could he explain how he is going to reduce what he calls these unacceptable levels?

Hon. Mr. Grossman: Mr. Speaker, should I report to their millstones in Ottawa that the honourable member supports ending opting out?

Mr. Wrye: Why don't you just answer the question?

Hon. Mr. Grossman: I will give him a couple of days to think which of the—speaking of flipping a coin, the honourable member, the member for Hamilton Centre (Ms. Copps), and their leader can flip a coin and decide what their party's policy is going to be on the issue.

Mr. Speaker: Now for the question.

Hon. Mr. Grossman: I do not want to put him on the spot. I don't want him to have to take a position.

What was the question? It was with regard to how we are going to decide which ones are—I am sorry, it was billing.

I think if the member were a little more familiar with the system of OHIP's remuneration to its participating physicians, it would satisfy his concern entirely. What we try to do with OHIP is look at the historical record of billing for a particular physician and the expected pattern for the coming year.

Rather than relate each cheque to the physicians on a monthly basis for particular services, we try to average it out over the year so that the monthly cheque is roughly the same and so that they are fairly assured they are paid on a current basis, regardless of identifying one particular cheque from OHIP with one particular service. As the member knows, they get a single, lump sum cheque on a regular basis from the ministry.

While technically they are not remunerated for a service they provide today for several weeks or a month and a half, in real terms they

are fairly current in their income versus the number of services they render today. It really is quite balanced and current in that sense.

Mr. McClellan: I was intrigued by part of the minister's answer to my question when he conceded the figures I had cited were too high. My recollection may be playing tricks on me, but I think this is the first time we have given figures on the percentages of opted-out specialists and a minister or a government spokesman has conceded there are problems.

I may be wrong, but I think this is the first time a minister has ever conceded that those figures are too high. On May 3, quoting the deathless prose of the minister, he said, "We believe that extra billing is part of what keeps this health care system in Ontario working well."

Which is it? Are the rates of opting out for specialists too high? Or, on the other hand, is this high opting-out rate what keeps the system working well in Ontario?

10:50 a.m.

Hon. Mr. Grossman: Sorry, I was momentarily distracted as the member for Windsor-Sandwich (Mr. Wrye) was trying to sort out with the Health critic what their policy was. I was trying to eavesdrop on it and find out. I apologize.

I want to be quite clear, as I told the federal minister yesterday, that yes, I do believe some of those figures are too high. I obviously did not double check to see if the figures the member was quoting were specifically accurate but I feel very comfortable in saying that in certain—

Mr. McClellan: They are your figures, so they could be suspect.

Hon. Mr. Grossman: If they are my figures they are fine and accurate.

As I indicated to the federal minister, I think one of the reasons that extra billing does not threaten the health care system is that the Ontario Medical Association has assured us that any patient of this province can get services rendered to him or her at opted-in rates.

I have also made quite clear, both publicly and privately, the fact that the system the OMA has developed, which is a toll-free number which any citizen can use to call the OMA and the OMA will follow up, is one which is—

Mr. McClellan: I know what you are going to say; Timbrell said it a hundred times.

Hon. Mr. Grossman: Ross, I am not finished. I am going to say what you want me to say. Do

not interrupt me now. I will change my mind if you interrupt me.

The system is one which is not widely known, not advertised enough nor used enough. Given that circumstance, the OMA is going to have to do better than it has done currently in terms of making that service known and available to the public in order to satisfy this minister and the federal minister that universality and accessibility is not threatened by extra billing.

May I go further—I know the member will allow me to go further—withstanding that service, the opted-out rates in certain specialties and in certain geographic areas of this province are too high. I think in order to protect extra billing and to satisfy the federal government and this minister—

Ms. Copps: Protect extra billing?

Mr. Martel: That says it all!

Mr. Speaker: Order.

Hon. Mr. Grossman: —to protect the right to extra bill, the medical profession is going to have to make sure that those figures are adjusted. Indeed, as the OMA knows very well, when the figure for opting out province-wide gets too high, then their right to opt out and to extra bill will be closely reviewed by this government. That is one of the reasons the figure is down to the lowest it has been in five years. I think we should remember that.

Ms. Copps: It makes me feel very confident that the Minister of Health has seen it in his mandate to protect extra billing. I am sure that—

Mr. Speaker: Question, please?

Ms. Copps: I have one preliminary question, and that is—

Mr. Speaker: No preliminary questions.

Ms. Copps: If the minister is studying lip reading, I think he is going to find himself in as bad a situation as when he actually did not know in advance that I had got my hair cut.

Mr. Speaker: That is an observation.

Ms. Copps: That is not a question, but I am going into my question now. He has been falling back a little bit on his surveillance.

DEATHS AT HOSPITAL FOR SICK CHILDREN

Ms. Copps: A question to the Minister of Health, Mr. Speaker: We are anticipating very shortly from the minister, the announcement of the other members of the Dubin inquiry into hospital procedures at the Hospital for Sick

Children in Toronto. I know the minister has received a telegram from the Registered Nurses' Association of Ontario which points out that because patient care is the responsibility of many disciplines and, in particular, because the nurses' practice was recently called into question, the credibility of the committee headed by Mr. Justice Dubin to review practices at Sick Children's Hospital would be seriously undermined without the representation of the discipline of nursing.

I know the minister received a letter in advance of this telegram and I wonder whether he has taken the request of the RAO and the nurses of Ontario into consideration?

Hon. Mr. Grossman: Mr. Speaker, may I begin by assuring my colleagues who would be wondering about me, that the earlier reference of the Health critic of the Liberal Party was simply that, lest she feels that my people are monitoring each and every one of her moves throughout the province, I did indicate to her the other day that I was surprised she had managed to get her hair cut without me knowing about it. I applaud her for having escaped the surveillance—or proving that indeed there is no surveillance. None the less it was an excellent move on the member's part. Only one of the member's caucus agrees with me.

Mr. Speaker: To the question, please.

Hon. Mr. Grossman: May I say that I have received those communications. I happen to agree with those communications. One of the reasons I was not prepared to name the other appointments this morning is that we have decided to seek a fourth member for the Dubin investigation. That fourth member will be a representative of the nursing community.

[Applause]

Hon. Mr. Grossman: Is that all? Feel free.

I think it is appropriate that be done. In this case we are seeking to do what we sought to do with the other two appointments; that is, obtain people from outside the province with great expertise related to the health care profession. That is the same practice we will follow in trying to get someone representing, and knowledgeable in, the nursing profession. We have made certain contacts in that area.

The time commitment is going to be fairly substantial and because we are looking for persons who are outstanding in their particular areas of expertise, it requires that they seek permission and consent from their employers, etc., to devote the necessary amount of time

required by this investigation. Therefore it may be another day or two before we have the necessary consents from these three other people to serve on the investigating team.

Ms. Copp: I congratulate the minister on following up so quickly on the request of the RNAO. I wonder whether he has had a chance to discuss with them another concern, which is if one relies primarily or predominately on investigators from outside Ontario, they may not be familiar with the procedures carried out in this province.

As the minister knows, the procedures carried out in an individual hospital with respect to the distribution of medication, etc., are really within the provincial domain and are a specific provincial responsibility. If he has had a chance to speak with the president of the RNAO he will know she is extremely concerned that people from outside, whether they be nurses, physicians, other health care professionals or non-professionals, may not be familiar with the procedures as they are supposed to exist in this province.

Taking that into consideration, does the minister not feel there are health professionals in Ontario who are detached enough from the situation at the Hospital for Sick Children to be able to contribute, and contribute very adequately, to the investigation being carried out by Mr. Justice Dubin? If he does consider that there are health professionals in the province who have the capacity, why has he not included them on the team?

Hon. Mr. Grossman: I think it is important that the systems in place in this province, whether they are specific to the Sick Children's Hospital or general throughout the province, be subject to some objective external analysis and review. Of course, there will be no problem in getting all sorts of information and expertise with regard to the correctness of the procedures that are in place in this province. What I am really seeking is an adjudication and review of those procedures.

I think there will be all sorts of people who will be able to educate the investigating team with regard to whatever particular and unique aspects of the Ontario system are involved, and given the fact that information will all be available to the team, I think it will reassure the citizens of this province that the team which ultimately makes an assessment and evaluation is one that will be objective.

I am sure the RNAO and others will come forward and review the procedures and make

our team familiar enough with our procedures. Some of our appointees will be familiar with the Ontario procedures upon their appointment.

Interjections.

Hon. Mr. Grossman: Listen to what I am saying: They will be people who are familiar with the Ontario system although they are not working in it. I think the member will find that the appointments are really quite extraordinary and satisfactory, I really do.

Mr. R. F. Johnston: Can the minister give an answer that is less than three or five minutes long? Is it possible for him to say something clearly and give a short answer? He is really abusing the time here. That answer could have been given in 30 seconds.

Mr. Speaker: Order. Surely, as I have pointed out before, members have a right to expect not only to ask questions in this chamber but indeed to listen to the answers that are provided.

11 a.m.

ENERGY RATES

Mr. Swart: Mr. Speaker, I have a question of the Minister of Energy relative to the proposal by the Consumers' Gas Co. to increase its rates. I am sure the minister will recognize that in addition to a substantial general increase to domestic consumers, the company is proposing that the minimum home heating gas bill be increased by something like three times the present amount. They are also proposing a dramatic increase in rates for those who install heat pumps or otherwise cut down on home heating gas consumption.

Will the minister now give the House the assurance that he will intervene firmly with Consumers' Gas Co. and the Ontario Energy Board and state clearly it is government policy not to permit home owners to be penalized because they use less gas?

Hon. Mr. Welch: Mr. Speaker, the Minister of Energy would feel it quite improper to intervene at this stage. The article to which the honourable member refers makes it quite clear that the proposal is before the Ontario Energy Board. The hearing has been advertised. I am sure all sorts of interventions are now filed. I think it would be quite proper to allow the Ontario Energy Board to hear the application and also the interveners who have indicated their intentions to appear before the board as part of that hearing.

Mr. Swart: Does the minister not realize that the proposal by Consumers' Gas Co., which

would be followed by the other gas companies if it is allowed, will increase the rates substantially in the winter? This will adversely affect senior citizens who need more heat, and adversely affect the people in northern Ontario who use more gas in the winter.

Surely he must also be aware of the tremendous profit increase the gas company had last year, from \$90 million to \$117 million, and that did not include the tremendous increase it got in rates this last February. Will the minister give this House the assurance now that he or his government will appear at that hearing, that he will condemn a policy which socks it to the people in the winter, particularly in the north where consumption is higher, which creates unreasonable profits at the expense of the consumer, and which will destroy the principles of conservation and the off-oil program of the federal government?

Hon. Mr. Welch: The member knows the procedures that are to be followed. I repeat, the matter is now in the form of an application before the Ontario Energy Board. I would remind the member—and I assume he is referring to the article that appeared this morning dealing with the application of Consumers' Gas—that Consumers' Gas does not have a franchise in the north.

Mr. Swart: I said the other companies would follow.

Hon. Mr. Welch: If the member is talking about that particular matter, we have an application before the Ontario Energy Board. I think the public has every confidence in that board as an impartial body reviewing that particular application. As I say, they have advertised it.

Mr. Bradley: Mr. Speaker, various levels of government have encouraged people on an ongoing basis to get off oil and get on to cheaper forms of energy, particularly natural gas in this case. Does not the minister agree, as an individual MPP, it is wrong that this company should be attempting to get considerably more money in various ways from the public of this province who were encouraged by governments to switch to gas?

Hon. Mr. Welch: Mr. Speaker, this minister and this government is quite committed to the whole concept of off-oil and the contribution which it will make to crude oil self-sufficiency for the country. I do not think there is any question about that as far as government policy is concerned in that regard, and government

commitment to the whole concept of conservation.

In responding to the honourable member and the member for Welland-Thorold, I simply have to remind them that, as the author of the article in this morning's paper has been careful to point out, this matter is now before the board. I think it would be improper for this minister to comment on a matter that is before the Ontario Energy Board at this time.

SUNDAY OPENINGS

Mr. Williams: Mr. Speaker, I have a question of the Attorney General. On April 23, I brought to the attention of the Solicitor General (Mr. G. W. Taylor) in this House, the fact that a significant number of Metro Toronto business concerns appeared to be openly conducting business on Sundays in violation of the Retail Business Holidays Act, recognizing the light fines that have been imposed to date on violators.

Because of my interest in this matter, the minister will recall he had advised me on April 27 that all charges under the act in the judicial district of York would be heard by a provincial court judge on Wednesday, April 28, and that the prosecuting crown attorney would maintain a consistent and vigorous representation as to the quantum of fines to be imposed upon conviction.

Has the minister as yet received word on the findings of the court? If so, did the results of those trials indicate that the judiciary has been appropriately responsive to these concerns while meting out justice in these cases?

Hon. Mr. McMurtry: Mr. Speaker, I will have to answer this in general terms because I am not familiar with the details of the specific prosecutions to which the honourable member has just referred.

I am not happy or satisfied with the level of penalties that has been imposed on some of the people who have been found guilty of breaching this legislation. We have been urging our crown attorneys, as has been mentioned, to press for more significant fines. There is no question that some of the fines that have been imposed do not represent much of a deterrent.

Mr. Williams: Is the minister aware of the article in Wednesday's Toronto Star about Coles Book Stores Ltd. losing its appeal against a conviction for doing business on Sunday wherein Judge Kane of the appeal court reduced the original fine of \$2,500 to \$200?

Is he aware that the judge's purported reason

for reducing the fine was that since Coles' gross profit on the five Sundays they stayed open in November 1981 was \$200, not \$2,500, the fine should be only \$200?

Does the minister not feel that this fine-gauged-to-profit formula applied by the judiciary undermines public respect for this law and raises a serious doubt in the public's mind as to the need to obey this law?

Hon. Mr. McMurtry: I was very disappointed with Judge Kane's decision in that respect. I do not agree with it, and I would hope that will not be representative or indicative of the approach of the courts generally.

TEACHER-BOARD NEGOTIATIONS

Mr. Bradley: Mr. Speaker, I have a question for the Minister of Education. Now that she has received representations on a continuing basis from various groups that would be directly or indirectly affected by any proposed changes in legislation which would be designed to change the teacher-board negotiations process in Metropolitan Toronto, including the discussion within her cabinet, would she assure the House that she is prepared to abandon any plans she had to introduce legislation to bring about compulsory joint bargaining by panel and compulsory regional negotiations by panel in Metropolitan Toronto?

Would she not agree, as the Minister of Industry and Trade (Mr. Walker) often says, that if one were to introduce such legislation one would really be fixing something that is not broken?

Hon. Miss Stephenson: No, Mr. Speaker, I would not agree, nor would I agree not to do what the honorable member suggests I should not do.

Mr. Bradley: Would the minister feel that by introducing this legislation she is going to allow the following problems to be addressed: Protecting the rights of an employing board and its teachers to negotiate something that is unique to the needs of that education system; or sheltering the priorities of a small branch affiliate or a single small board from the overwhelming needs of a larger entity; or another issue that arises from this, the sensitivity of the large Metropolitan school boards to local needs when its members are not directly elected by the people who would be affected by these decisions?

Hon. Miss Stephenson: All of those matters have been addressed acutely and sensitively.

11:10 a.m.

NOTICE OF DISSATISFACTION

Mr. Swart: Mr. Speaker, on a point of order: Because the Minister of Energy gave no indication whatsoever that he objected in any way or would take any action to intervene in the proposed unreasonable increases by the Consumers' Gas Co., I will give the appropriate notice just a little later on that we will have a late show on Tuesday night on this matter.

Mr. Ruston: After mine.

Mr. Speaker: There will be two; you are right.

INTRODUCTION OF BILLS

MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Hon. Miss Stephenson moved, seconded by Hon. Mr. Welch, first reading of Bill 127, An Act to amend the Municipality of Metropolitan Toronto Act.

Motion agreed to.

Hon. Miss Stephenson: Mr. Speaker, the major purpose of this bill is to give support to the underlying principle of the two-tier form of educational governance in Metropolitan Toronto. That principle is that there should be a comparable level of educational service and comparable access to resources through municipal taxes across the Metro area. The bill also contains provisions to increase the level of accountability of the boards concerned and to bring certain practices into line with what is provided in other legislation.

Provision is made in the bill to require the Metropolitan Toronto School Board and the six boards of education to bargain jointly with their elementary and secondary teachers respectively on salaries and financial benefits for teachers and on the method by which the number of teachers to be employed by a board is determined. Negotiations will continue to be carried out locally on matters of local concern. It will also be possible for a board to employ additional teachers beyond the number determined by the jointly negotiated staff-allocation formula, but the costs attributable to the employment of such teachers could not exceed the amount that can be realized from the discretionary tax levy.

Provision is made for the Metropolitan Toronto School Board to be in a position to credit to the taxpayers of a board of education that portion

of any surplus realized by the board which was raised by local taxation in that area municipality, and to require that part or all of a deficit incurred by a board of education be raised by local taxes in the area municipality concerned.

Still in the financial sphere, it is proposed that the basis of apportionment of the education requirement in the Metro area be altered to bring it into line with the practice in other school jurisdictions. The change is that the amount of commercial, industrial and business assessment which is taken into account is increased by dividing the amount in each municipality by 0.85. The bill also contains a proposal that the discretionary levy which may be raised by an area board of education be limited to one mill at both elementary and secondary levels and that any deficit charged back to a board be included within that limit.

In the area of housekeeping and complementary amendments, there is a provision to make the term of office of trustees of the Metropolitan Toronto School Board the same as that for other trustees; a provision to allow alternate members of the Metropolitan Toronto School Board to be more than mere observers at meetings of the board and its committees without altering voting strength; a provision to update the size of a quorum at meetings of the Metropolitan Toronto School Board, and a provision to bring the method of determining trustee remuneration for that school board into line with that which has been proposed in Bill 46, the Education Amendment Act, 1982.

I believe the major provisions of this bill constitute significant improvements to the Municipality of Metropolitan Toronto Act and I would urge all honourable members to support them.

CITY OF THUNDER BAY ACT

Mr. Mitchell moved, on behalf of Mr. Hennessy, seconded by Mr. Pollock, first reading of Bill Pr31, An Act respecting the City of Thunder Bay.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Gregory: Mr. Speaker, before the orders of the day, I wish to table the answers to questions 13, 113, 139 and 140 and the interim answers to questions 149 and 171 on the Notice Paper [see appendix, page 2118].

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS

Hon. Mr. Bernier: Mr. Chairman, time does fly quickly. It is hard to believe five months have gone by since we last did an examination of my ministry's estimates, but that is the case.

Before I get into my formal remarks concerning the expenditure estimates for the ministry, I would like to bring to the attention of honourable members, and particularly the critics for the Ministry of Northern Affairs, a major change in the staff of my ministry. As many will recall, Art Herridge was deputy minister for two years. He has served this government exceptionally well in a number of major positions in the civil service of this province. He served 35 years and retired on December 31, 1981.

I am pleased to say he was replaced by a very able young man from the Ministry of Transportation and Communications in the person of David Hobbs. Mr. Hobbs is sitting under the Speaker's gallery. We are looking forward to having David with us for a long period of time. He has the correct northern attitude, the spirit that will—

Hon. Miss Stephenson: What is the correct northern attitude?

Hon. Mr. Bernier: I have to remind you there is a correct northern attitude. David has that spirit, which augurs well.

Mr. Stokes: Even the Minister of Education is acquiring some of that spirit.

Hon. Mr. Bernier: We won't touch on that subject for a moment.

Hon. Miss Stephenson: I thought it was just sensitivity. I did not think there was anything very correct about it.

Hon. Mr. Bernier: Nevertheless it is a pleasure to have David with us. That is the point I wanted to make at the opening of my remarks.

It has been five months since I last presented spending estimates for the Ministry of Northern Affairs. During that time, the ministry has continued to pursue its mandate of preparing, recommending and co-ordinating government plans, policies and programs for northern Ontario. I am pleased to present to this general government committee estimates totalling \$179,088,400 for the 1982-83 period. These are funds that will enable the ministry to continue to carry out a wide range of activities and contrib-

ute successfully to the overall economic and social development of northern Ontario.

11:20 a.m.

There is no doubt we are going through a difficult time as far as the economy of the north is concerned. There have been closures and numerous layoffs. A slump in North American and world market demand for our lumber, pulp and paper, and mineral products is only worsened by a deliberate federal monetary policy that increases unemployment and reduces domestic demand.

I am confident that many of these problems are short term in nature. Nevertheless, they are real and are having an impact on a larger number of people. It is for this reason that the government recently announced several short-term job creation programs of particular benefit to northern Ontario.

These include the accelerated capital projects announced in the recent budget which will create about 600 jobs and add \$19.2 million to this year's northern roads budget. The Ministry of Natural Resources, with the federal government, is creating jobs for laid-off forest workers, most of them in the north, through the accelerated forest improvement program. A similar program was also announced in the budget that will provide up to 6,000 jobs for Ontario's mining workers and laid-off employees in other sectors.

These are programs that provide useful jobs at a time when they are very badly needed. As I have said, they will be of particular benefit to the north in most cases and will provide a substantial cushion against the current economic downturn.

For the longer term, I continue to be an optimist about the economic prospects for northern Ontario, and I am not alone. There are real expressions of confidence in northern Ontario's economic prospects and investments in the future of our region on the part of the private sector. A recent article in Northern Ontario Business described \$6 billion in capital investment in various northern Ontario projects. I will see that a copy of that paper is delivered to both opposition critics because it is a well-written paper.

Mr. T. P. Reid: Could I have one as well?

Hon. Mr. Bernier: Yes, Mr. Reid, I will make sure you have one too. I think it is of real interest to those of us who are interested in northern Ontario.

The major projects described in the article

include the expansion of Algoma Steel in Sault Ste. Marie; the Detour Lake project northeast of Cochrane, access for which is supported by this ministry; the extensive modernization taking place in our province's pulp and paper mills, and the planned expansion of Denison Mines and Rio Algom in Elliot Lake. These are just the big projects.

Mr. Stokes: All in northeastern Ontario.

Hon. Mr. Bernier: The pulp and paper expansions are right across the northwest. Come to Dryden or Kenora and see what is going on there.

The confidence of these companies is based on their long-term perspective of our economic strength and resilience. This ministry and this government have always shared that confidence and will continue to evolve the type of policies and economic strategies that will retain and foster the confidence of the private sector in Ontario's north.

The north is blessed with abundant natural resources. These resources will always be the bedrock on which its economic strength rests. Our job is to make maximum and wisest use of these resources and to help distribute the benefits they create by increasing the north's share of the value added in terms of supplying services and products.

In past estimates, we have heard talk of the need for a sweeping industrial strategy for the north. Some honourable members seem to feel there is a magic wand one can wave and produce instant growth in every sector throughout the north. That is not very realistic. Instead of some grand, academic scheme, I think far more can be achieved by continuing to pursue a range of pragmatic smaller strategies tailored to the strengths and opportunities of specific regions and communities in the north as they really exist.

Basic among these is the Ministry of Northern Affairs' ongoing effort to identify northern economic needs and opportunities. We then balance those needs and opportunities against existing government programs to review and monitor their effectiveness. This enables us to establish clearly defined positions and viewpoints on economic priorities for the north and then research or pursue specific local or sectoral economic opportunities.

As members know, the ministry's advocacy and co-ordinating role on behalf of northern Ontario allows us to bring about changes at the policy and planning level, without necessarily infusing large amounts of funding ourselves. In

other areas, we take a more direct role in providing funding for the programs that allow for the type of private sector development I described a moment ago.

Fundamental among these are our infrastructure programs. Over the five years of the ministry's existence, we have pursued a vigorous policy of improving the north's transportation system and sewer and water facilities to facilitate resource development and processing and also allow for economic diversification at the community level.

In the area of transportation this year, we will spend over \$100 million on northern roads. These include our major highways, secondary and tertiary roads as well as resource access roads, such as the one going into Detour Lake.

Interjection.

Hon. Mr. Bernier: Yes, maybe we will do something around Foleyet too.

This important route, for which \$16,480,000 has been earmarked in this year's estimates, will provide access to the site of the largest gold mine to open in North America in many years. The mine will employ in the area of 500 people initially. Their accommodation requirements will greatly benefit the nearby communities of Cochrane, Timmins, Iroquois Falls and Smooth Rock Falls.

Other resource access roads we fund come under the forest management agreement. These are roads that are providing access to mature and overmature timber to allow for intelligent harvesting of our valuable forest resources.

Mr. Laughren: This is an overmature minister.

Hon. Mr. Bernier: Oh, just wait. This is a very young ministry. The minister might be a little overmature, but the ministry is not.

The remote airport program is another component in our transportation portfolio. This year will see the completion of construction of the airport at Cat Lake. I believe that is in the member for Nipigon's riding. No, it is in my riding. It is in the Kenora riding.

Mr. Stokes: Cat Lake is right on the boundary.

Hon. Mr. Bernier: Right on the boundary, yes.

Mr. Stokes: There are registered Indians from my constituency living in yours.

Hon. Mr. Bernier: Right. That will go forward this year, and that will be one of the last of the 20

such airports provided for under phase 1 of our program.

Under phase 2 of the program, beginning this year, we will be looking at upgrading a number of existing airports, lengthening runways and proceeding with plans to build facilities in new communities.

The rail and ferry services of the Ontario Northland Transportation Commission come under my ministry's purview. This year, \$16,736,000 has been budgeted for the passenger services provided by these elements of the ONTC system. This amount includes the recent refitting of the Chi-Cheemaun ferry, which will allow for the passage of an extra 100 cars a day during the busy summer schedule.

We had the opportunity of viewing that particular improvement just last week in the company of my colleague the member for Algoma-Manitoulin (Mr. Lane) and the member for Dufferin-Simcoe (Mr. McCague), who took the trip from South Baymouth to Tobermory. The Chi-Cheemaun is providing an excellent service and with this new facility will add more passengers and more cars.

Mr. Laughren: Don't mumble. We are here to help you.

Mr. Stokes: We can't understand you.

Hon. Mr. Bernier: Is that right? Turn it up a little louder. They say it is good back here.

Anyway, on the subject of rail service, I want to remind the members that this ministry, along with the Ministry of Transportation and Communications, continues to monitor with a great deal of concern the effects of the federal government's cutbacks on Via Rail service, which forms an integral part of the northern transportation system.

We intend to do our utmost to maintain adequate levels of passenger rail service in northern Ontario and we will be putting forward proposals to the federal government for improved services where we see the need.

In addition, we are working with the Ministry of Natural Resources on an idea to build future forest access roads in such a way that they will also provide a link for the 20 or more population centres hardest hit by the reduction in rail service. In other words, we intend to take an established transportation program designed to meet the needs of one group and adapt it to also include the needs of another.

11:30 a.m.

NorOntair, also part of the Ontario Northland Transportation Commission, continues to pro-

vide an exceptional level of air service to 21 communities across northern Ontario. Since 1977, tourist and personal travel on norOntair has increased to 30 per cent of the total from 20 per cent, and we are constantly reviewing the network for future changes and additions. Over the next year, we will be planning for the introduction of the Dash-8 aircraft, which will further improve air services in the north.

In another infrastructure area, sewer and water projects play a fundamental role in economic development at the regional and community levels. These are not glamorous projects, but they go a long way towards attracting and retaining investment in our northern communities.

This year will see the start of construction on the Sault Ste. Marie water and sewer extension. I was in Sault Ste. Marie last week to sign a \$70-million, federal-provincial-municipal agreement that will provide that city with the infrastructure it requires to allow for the planned expansion of Algoma Steel and related commercial and residential development.

Some other infrastructure projects budgeted for this year include water supply for the community of White River and services for the North Bay and Valley East industrial parks.

Mr. Laughren: Are there any others?

Hon. Mr. Bernier: Yes. There are two others we will talk about during the course of the examination of these estimates.

Mr. Laughren: How about Gaston's?

Hon. Mr. Bernier: No, not Gaston's. The ministry has always placed a high priority on municipal infrastructure projects related to economic development. In single-resource communities they provide an opportunity for diversification; in larger municipalities they allow for needed industrial expansion.

At the community level our aim is to help municipalities act for themselves in improving their economic prospects and circumstances. We do this through a process of direct, continuing contact with municipal leaders and regional municipal organizations, such as the municipal advisory committee we fund, and by offering financial incentives and advice to municipalities. We will provide assistance of this sort to Armstrong, Wawa, Gore Bay, Ignace, Nipigon and other communities during this fiscal year.

I do not need to remind members of the vital importance the mineral sector plays in the economy of the north and the province as a

whole. We in the Ministry of Northern Affairs play our role through continuing support for community-based geological mapping and exploration. Beardmore, Geraldton, Atikokan and Kirkland Lake are among the communities that will benefit from this program this fiscal year.

Although most communities in the north rely directly or indirectly on one of our two major resources, forests and minerals, there are other sectors that may receive less attention now but are essential elements of northern Ontario.

Farming in the north has great potential, and it will be a thrust of my ministry to continue with our colleagues at the Ministry of Agriculture and Food to seek means of expanding and improving the agricultural sector in the north. One way we are already doing this is through the northern Ontario rural development agreement, under which more than 500 northern Ontario farmers have qualified for incentive grants to improve their farming operations.

We also hope to respond positively to a number of recommendations contained in the northern Ontario agricultural marketing study funded by this ministry. I will be meeting with my colleague the Minister of Agriculture and Food (Mr. Timbrell) to begin plans for the production of a marketing handbook as a measure to promote the growth of northern Ontario's agricultural sector.

Mr. Laughren: How about a food terminal for Timmins?

Hon. Mr. Bernier: Well, not quite a food terminal, but something—maybe a processing plant or a packaging plant. But those are the things we are thinking about.

Tourism is another strong sector in the north's economy. Visitors to northern Ontario spent more than \$1.25 billion last year, and tourism can be expected to increase significantly as a major contributor to the north's economy.

The Ministry of Northern Affairs is involved in tourism on several fronts through the northern Ontario rural development agreement: at the individual level, at Ontario North Now here in Toronto and through support for specific regional attractions, such as Kakabeka Falls and Ouimet Canyon, the new Fort Frances tourist information centre and activities within the James Bay frontier travel region.

This year, too, we are providing funding for the development of a unique co-operative tourist venture in Vermilion Bay. Five communities along the Highway 105 corridor have got together

to upgrade the Vermilion Bay stockade and turn it into a tourist information centre. Naturally, my ministry was pleased to support this regional initiative for tourist information facilities which will be a boon to the whole area.

Another resource area that holds great potential for the development in the north is alternative energy supplies. Last year I told the House about the work being done by my ministry with the ministries of Energy and Natural Resources on establishing the extent of the north's vast peat resources. Since then I have had occasion to talk to several groups, including a delegation from Finland, about developing the untapped wealth of peat that covers most of the north.

We are also continuing to investigate, with the Ministry of Energy, the extent of the vast lignite reserves in the Onakawana area for their possible development.

Mr. Stokes: It is dead.

Hon. Mr. Bernier: Well, we are looking at it. We are trying to identify a larger body of lignite.

Mr. Stokes: You will lose your credibility if you try to recycle that again, and you know it.

Hon. Mr. Bernier: We are working on it.

On a smaller scale, we have funded solar power, waste heat conversion and small-scale hydroelectric projects in various parts of the north. We will continue to explore other sources of alternative energy including, this year, the feasibility of cogeneration units that can run on waste organic matter to produce cheap electricity.

Economic development and social development go hand in hand. My ministry recognizes this fact in its social development strategies at the regional and community levels. In our role as co-ordinator of government policy for the north, we facilitate the efforts of other ministries in identifying and responding to gaps in social services. Nowhere is this effort carried out with more vigour than in the field of northern health care.

I was very glad to see that the members of the Liberal task force on health care took such an interest in our northern health care system; there remain many challenges to be met in the delivery of health care in the north. But I was a little sorry that the task force had so little to say about the positive strides made in northern Ontario in the past few years towards correcting some of these traditional deficiencies.

I noted the comments on the shortage of specialists in the north. I did not see any

mention of the successful specialist incentive grants program operated by the Ministry of Health with Northern Affairs that is attracting increasing numbers of these specialists to the north.

Mr. Laughren: Don't say "increasing numbers." Tell us how many.

Hon. Mr. Bernier: I will tell you; I will give you those numbers.

Nor was there mention of the increasing sophistication of some of our northern hospitals or of the air ambulance system, which places most residents of the north within one hour of treatment at a major hospital.

The task force might have noted too that a change in Ontario health insurance plan regulations, pressed for by the Ministry of Northern Affairs, now allows OHIP coverage for authorized hospital-to-hospital transfers by air ambulance. It also might have noted that the elderly in northern Ontario are receiving a high priority from cabinet.

There is no question that in this province, this country and indeed the industrialized west, the costs of health care are rising dramatically and demands on the system are increasing yearly. In many parts of northern Ontario these factors are compounded by the problems of distance and isolation and the difficulty in attracting health care specialists.

Frankly, we still have a lot of catching up to do in our northern health care programs. We are meeting almost constantly with our colleagues at the Ministry of Health to review such concerns as the need for northern referral centres, transportation assistance for patients travelling south regularly for specialized treatment and for better and more medical technology for our northern hospitals.

But, though there is work to be done, we should take pride in the accomplishments we have already made towards attaining a higher level of practical self-sufficiency in northern health care. The most recent of these is our long-term care capital assistance program announced in the recent throne speech. With our colleagues at the Ministry of Health, we have put together a program that is simple and parochial in the best sense. Funding for extended hospital facilities to house up to 20 beds for long-term care of elderly patients will allow many of our northern elderly to get the care they need right in their own communities.

This program continues a thrust for better care for our elderly that began with our support

three years ago for the Dryden minimal care home and a smaller, similar facility at Terrace Bay.

11:40 a.m.

The air ambulance network now serving the north out of Sudbury, Timmins, Thunder Bay and Sioux Lookout is a development I welcomed gladly at the time, and I have had no reason to temper my enthusiasm. We have heard criticism of the costs of this program. Let me say that the Minister of Health (Mr. Grossman) and I decided at the outset that the north deserved a first-rate air ambulance system, and a first-rate system is what we got. I do not know how one can put a price tag on saving lives, but in their first year of service the air ambulances have saved lives, and they have brought quick attention to serious injuries. After a year in service, the air ambulance program is currently under review to evaluate its performance in the light of possible changes and improvements.

I should remind members that programs such as the air ambulance system, our long-term-care assistance program for the elderly or the infrastructure projects for northern communities are the products of the very successful way the government has chosen to deal with northern issues: with a geographically based Ministry of Northern Affairs working co-operatively with ministries having specific line and sectoral responsibilities.

As a member of cabinet, of the Board of Industrial Leadership and Development and of all three policy fields, I work closely with my colleagues in this government to help give direction for the progress and development we all desire for northern Ontario. The ministry could not accomplish what it does without the support and interest it finds in every other ministry in the Ontario government.

Mr. Laughren: Do you think they say the same thing about the Ministry of Northern Affairs?

Hon. Mr. Bernier: I think they do.

Mr. Stokes: Like hydro rates for the north.

Hon. Mr. Bernier: We are working on that too.

By the same token, the strength of the Ministry of Northern Affairs is based on the fact that it draws on the knowledge and experience of the two thirds of our staff who are located in the north and on the close working relationships we have with the municipal, industrial and organizational leaders with whom we work on a

year-round basis to determine northern needs and priorities.

An excellent example I can give of this process is our local services board program, enacted in this House three years ago. To date, 21 communities have formed boards to provide themselves with such basic services as fire protection, water supply, sewers, garbage collection, street lighting and recreational facilities.

Mr. Laughren: Remember which was the first one?

Hon. Mr. Bernier: Yes. Hudson; the good old town of Hudson.

Applications for nine more boards are currently under review and eight more communities have expressed interest in forming local services boards. The point is that the legislation empowering unorganized communities to form self-help boards to raise funds for these services, funds that we match, was developed in the north in close co-operation with the very communities it was meant to serve. This is how the ministry works in determining its future programs and policies.

Without taking much more time, I would like to provide an update for the members on a couple of programs that have attracted interest over the past year.

Our TVOntario extension program has received more than 70 applications since we announced it last November. Forty-four of these have been budgeted for the installation of low-power rebroadcast equipment during this fiscal year. The first of these will be installed this summer.

Finally, I know the members will want to hear about the progress at Minaki Lodge.

Mr. T. P. Reid: This will be a short statement.

Hon. Mr. Bernier: I just could not leave this out.

Mr. Stokes: Let us read Hansard from last fall.

Mr. T. P. Reid: Will you and Bill Charlton resign if it is not open next summer?

Hon. Mr. Bernier: Yes. As a side issue, I want to make it very clear that Minaki Lodge will be completed this year. I think I said that last year, but obviously one does not open a major tourist or recreational convention centre at the end of a tourist season. It will be completed in September or October of this year. The honourable member certainly would not want us to open up the facility at that time. So we are spending our time training the local people, getting them involved, creating employment—

Mr. Laughren: What is the total cost?

Hon. Mr. Bernier: It is \$20 million.

I must say there is no unemployment in the town of Minaki this summer, nor has there been for some time. That happy situation will spread to a wider region when the lodge opens on schedule next summer.

We are talking to several large organizations about convention bookings already. I want to urge all those members who have not visited Minaki Lodge to use their travel allowance to go up and see the lodge for themselves this summer. It is open to everyone.

Mr. T. P. Reid: Why not have a northern tour under the auspices of the Ministry of Northern Affairs?

Hon. Mr. Bernier: You have money in your budget. You can take a trip up there.

What I have touched on this morning is only a summary of the major priorities and highlights of the ministry's 1982-83 activities. There is a broad range of programs and projects within our mandate that I look forward to discussing with members during the examination of these estimates in the next few days.

Mr. Chairman: I know this is highly out of the ordinary for the Chairman of the committees of the whole House, but I have checked with the appropriate critics of the other two parties and they have allowed me the opportunity to say one or two words on concerns of mine about the ministry. I feel very concerned about this.

Hon. Mr. Bernier: Complimentary, I am sure.

Mr. Chairman: In a way they are, and in a way they are not. I listened very closely to your remarks, especially those about Minaki Lodge and about visiting it. As you well know, in the past few months I have written to you about the possibility of members of the Legislature from southern Ontario visiting the north.

Mr. Stokes: And got no reply.

Mr. Chairman: No. I got a reply that an investigation would take place of the possibility of seven southern Ontario members visiting northern Ontario. The question is, why we should do that? As a member for some six years, I want to say that, outside of some meagre experiences in the north, working in Wawa one summer during the sittings of the select committee on Ontario Hydro affairs—the member for York South (Mr. MacDonald) will remember our February trip to Atikokan—I have not had the wonderful opportunity of getting a feel for the north.

More often than not when I hear honourable members from all parties talk about the north, about peat, about Sudbury and the nickel mining problems in that area, about Cochrane North, or about the possibilities for the future in northern Ontario, I am left with a large blank, because I have not had the experience of travelling extensively in northern Ontario to find out what some of the problems of that area are: the transportation problems and the cost of commodities such as gasoline.

I remember that the member for Lake Nipigon (Mr. Stokes) once talked about the cost of the gasoline being shipped to Summer Beaver. I had no idea what all that meant. I think it is important for me to have the opportunity to visit some of these areas because—

Mr. T. P. Reid: Is this a paid commercial?

Mr. Chairman: No, it is not a paid commercial. As one of 125 elected members of the board of directors, as it were, for all of the province, I feel very strongly that we should all have some kind of appreciation.

In February, when I visited London, England, I had the opportunity to speak to some members of Parliament in the House of Commons. I was flabbergasted to think, as I told them, that some of our members from northern Ontario have ridings larger than England itself. Our province is vast and we have wonderful opportunities here in northern Ontario, and we should become familiar with them.

I am not saying that every year there should be a great boondoggle up to northern Ontario; I am saying that at least every term—

Mr. T. P. Reid: Every second year.

Mr. Chairman: No, every term. Every three to four years, members who are interested should have the opportunity of taking some kind of trip, and all members from all parties should submit to the ministry one or two areas of interest in their ridings, a problem area and a growth area, so we would have a better feel for the north and an opportunity to realize what is taking place there.

I know that this summer the Commonwealth Parliamentary Association is taking a trip to the Northwest Territories. That is a vast area; I think they are dividing up into three groups and visiting different sections of the north. Possibly a plan of that nature could be envisioned.

I hope sincerely that you will take those considerations under advisement with your staff to see what the possibilities would be. I might be

way off base; maybe no one is interested in bothering to go up there. But I have a great curiosity. I think our future lies in the north. A lot is happening, and I do hope you will keep it in mind.

I thank all members for this opportunity. I know it is totally out of the ordinary, but I wanted to get my two cents' worth in.

Mr. Laughren: On a point of privilege, Mr. Chairman: I would like to support what you have said, because I think every member of the Legislature should have a chance to visit his or her \$25-million investment in Minaki Lodge. I also think we should all see the only renewable resource come out of the ground, in the form of lignite that has been recycled already without having come out of the ground by the Minister of Northern Affairs.

11:50 a.m.

Hon. Mr. Bernier: Mr. Chairman, I would like to respond to your remarks. I appreciate your sincere interest in northern Ontario. I am a little taken aback to think you have been here six years and have not seen fit to use some of your legislative allowance which will provide the necessary dollars for you to go to northern Ontario. In fact, I would be most pleased to set up an itinerary for you.

Mr. Chairman: I will take you up on it. What happens is that a member winds up so concerned with his own riding, in my case going back and forth to Durham East every day, that one just does not think, "This weekend I am going to make a trip to Wawa." There has to be some kind of program or plan so one can see various aspects of it. That would be great.

Hon. Mr. Bernier: That is why I mentioned Minaki Lodge and my desire to see more members in northern Ontario. There is an allowance for them to get up there. They are always anxious to go to England, Florida or California on committee trips, but it seems that northern Ontario is always left out.

We are looking seriously at a number of different proposals with regard to a tour to northern Ontario. I do not know whether we are going into the riding of Nickel Belt. We might visit the little town of Foley; that will be in the new riding of Cochrane South.

Mr. Laughren: How about going to Winisk?

Hon. Mr. Bernier: Winisk? Yes, we might even go there.

I want to make a point. I was involved in the last members' tour we had to northern Ontario several years ago. It was a bitter disappoint-

ment; it really was. We laid on what we thought was a fantastic tour. There was a combination of transportation modes: train, bus and airplane. We solicited the members of the Legislature and got a firm commitment from more than 80 members who would be on the trip. We went to the expense of planning for 80 members, and only 30 showed up for that week-long trip. The cost was astronomical. I was bitterly disappointed.

It may well be that with this growing interest, with so many great things happening in the north and with the desire of these members to go and see that fabulous development at Minaki, we can pull something together.

Mr. Van Horne: Mr. Chairman, this is the first opportunity I have had to get into the estimates. Of course, we had the supplementary estimates not long ago. Many of the things I am going to say today from an opposition member's viewpoint are not necessarily new. The theme of recycling was alluded to a few moments ago. I will be recycling a lot of our pet peeves as we see things not being done and as we see things that should be acted upon.

I wish to say a brief word in recognition of my predecessor in the job of critic of the Ministry of Northern Affairs, the member for Rainy River (Mr. T. P. Reid), a gentleman who has been in this Legislature since 1967 and who has served the north very well. He has moved on to bigger and better things, and in his moving on has left for me a considerable wealth of information and, on occasion, good, sound advice. I want to see recognition of the fine job he has done over the years on the record.

Mr. Chairman, I agree with you in what you suggested to the minister. I have not written to the minister, but I have spoken to him directly on this theme. It is worth noting, because in his response the minister suggested we might use our travel allowances. There may be some who are not familiar with the Legislature. We have a few people in the gallery. I even suspect we have a few people from Norfolk county here this morning if I am observant at all.

At any rate, for those people who are not familiar with it, we now have an allowance of some \$1,100 to travel from Toronto to places other than our own riding. That allowance used to be \$600 and then \$800. It certainly was not very much, because if you fly from here to Thunder Bay, for example, and return, it is almost half of what we used to have; so two trips would wipe you out.

Beyond that, of course, there is the accom-

modation problem. If you stay for any length of time, you are looking at X hundred dollars that have to be paid, generally out of your own pocket. That is not a claimable allowance. So there is a money problem for those members who want to travel to the north more often than a couple of times.

I am sure the request that the allowance be changed upwardly again is going to come back to the cabinet. I ask the minister to be very considerate when he hears another request for an increase in that allowance, because generally it is used well. I do not see it being abused. As a matter of fact, there are some people who do not even claim that money. I submit that for those who do want to travel, if a request for an increase in that allowance comes, they should give it every consideration because it would be for a good purpose.

In so far as the estimates are concerned, my comments are going to be in point form. I have a handful of concerns: northern development, the forest industry, one-industry communities, native communities, economics, travel and health care.

With the indulgence of the members of the committee and you, Mr. Chairman, I will begin these remarks by pointing out that the recent provincial budget did not address in any great way the economic problems facing northern Ontario. The only commitments the government made to northern residents were to increase their vehicle registration fees by 140 per cent and to create some Band-Aid, make-work projects for laid-off workers. This is the sum total of the government's initiatives for northern Ontario.

This is not surprising, however, coming from a government that has consistently raped the north of its resources and has put so little back into the north. I can recall the words of a former Conservative Treasurer during the 1977 election campaign when he went north to Sudbury and told the people that there would be no major industrial development in northern Ontario for decades.

We are still awaiting the government's fulfilment of its commitment, as stated in its infamous Brampton charter, to "balance growth and development in the north so as to make prosperity, social and cultural advancement equally available to the citizens of northern Ontario."

The truth of the matter is that this government has never made an honest attempt to make northern Ontario more than a provider of

resources. The north is beset by a host of problems, including resource exploitation, an unstable subsistence economy, high unemployment, unplanned settlements, inadequate levels of social programs and environmental problems.

Lack of government initiatives for industrial and economic development means that the north will still sit stagnant. Northerners are living under constant fear that the major employers will close down, and yet this government has few meaningful financial programs to offer them.

The economic situation in the north is further aggravated by the government's failure to have raw materials, which are cut or mined in the north, processed locally. Although the Ontario forest industry is overwhelmingly dependent upon northern resources, processing and manufacturing is heavily concentrated in southern Ontario; in fact, some 60 per cent of timber-associated manufacturing is located elsewhere, although 90 per cent of merchantable timber is in the north.

12 noon

The lack of an adequate supply of replacement parts used in the mining industry is another problem. Most mining equipment parts are made outside Canada, although these could easily be manufactured locally. In 1980, Canada's trade deficit in drilling and mining machinery was approximately \$1.5 billion, a fivefold increase over 1970. Ontario's 1979 deficit was \$250 million. If these parts had been replaced from domestic sources, approximately 3,500 jobs would have been created.

In addition, Ontario law says that metals mined in the province must be refined completely in Canada, yet cabinet has passed hundreds of exemptions to this law—in fact, 65 exemptions since 1974 alone—allowing millions of pounds of semi-precious metals to go out of this country and provide processing jobs elsewhere. For all intents and practical purposes, then, this law is nonexistent.

Of the metallic minerals mined in Ontario, about 30 per cent of the zinc, 33 per cent of the nickel, 10 per cent of the copper, 100 per cent of the platinum group metals, 14 per cent of the silver, 38 per cent of the lead, 17 per cent of the iron ore, 11 per cent of the cadmium and 55 per cent of the cobalt are processed outside Canada.

This government has done nothing to address the problems facing single-resource-industry communities. Many northern communities exist

solely because of the pulp and paper and the mining industries. Severe difficulties have been experienced by one-industry towns that have lost their major source of employment, towns such as Caland, Steep Rock Falls, Atikokan and, most recently, Pickle Lake, which is faced with the unemployment from the closing of Umex mine, and Bancroft with the Madawaska mine closing.

It was most interesting to read a Toronto Star report of January 19, 1982, which stated, "Ontario Northern Affairs Minister Leo Bernier has joined the call for a joint study group to look into the special problems of communities dependent on the mining industry for their economic health." What makes this report particularly interesting is that this government established a committee on mining communities in 1977 to look into this very same problem. This committee was quietly shelved in 1980 without having arrived at any solutions. In fact, there is some question as to whether this committee ever met at all.

Our inquiries have indicated that the government established a follow-up, in-house interministerial committee in 1980 on single-resource-industry communities, the terms of reference of which are still secret. Perhaps the minister can enlighten us as to what policy has been developed by this in-house committee. What are its terms of reference? Can he tell us what this committee's involvement has been in providing assistance to Pickle Lake and Bancroft? How much longer must we wait for a policy to be announced in this regard? Or is the government waiting for single-industry communities to disappear so it will not have to deal with the problem?

Northern Ontario communities will face economic constraints within the next two decades because of shortages of timber. We are, in fact, facing imminent timber shortages of crisis proportions because of years of government mismanagement, which has allowed more trees to be cut than have been replaced. The total backlog of unregenerated cutover forest land since 1971 is over 1.3 million acres; this backlog is growing at a rate of 160,000 acres per year. During the same period 5.9 million acres of forest have been taken out of production because of forest fires.

Our attempts to grow the second forest have been largely unsuccessful and the backlog of unregenerated forest land is starting to catch up with us. Of the 549,671 acres of total cutover land in 1980-81, regeneration was undertaken on only 48 per cent of the land. Natural regener-

ation occurred on 181,681 acres and 159,000 acres were left untreated and, essentially, were written off. We are falling behind in our regeneration efforts by some 160,000 acres per year.

A federal report of September 30, 1981, Forest Sector Strategy for Canada, states: "In Ontario, a reduction of the annual allowable cut has already been made and others are likely because of the failure to adequately regenerate a large proportion of forest lands cut over during the past decade. Shortages will become more widespread in the 1980s unless forest renewal performance improves dramatically."

The February 1981 report of the Royal Commission on the Northern Environment, titled, *The Economic Future of the Forest Products Industry in Northern Ontario*, stated: "Fibre supplies are not only insufficient to support additional manufacturing capacity, they are inadequate to support existing capacity without major improvements in utilization. Moreover, the only region in northern Ontario in which adequate wood supplies appear to be present is in northeastern Ontario."

This record makes a mockery of your government's promises contained in the Brampton charter which stated a commitment to replace at least two trees for every one harvested henceforth in Ontario, and to regenerate every acre harvested. That is a novel idea. It is an old chestnut and it will come back to haunt you until you live up to that promise.

What do we see, then, in so far as the forest industry is concerned? A lack of effective, long-term forest management in this province is what we see. We know forestry is one of Ontario's most vital economic assets. As a manufacturing sector it ranks fourth in the province.

In the north, the forest industry is the largest employer. However, the value of primary forest activity here is ultimately restricted owing to the lack of related processing and manufacturing industries. Despite the fact that the Ontario forest industry is so dependent on resources in the north, employment in the secondary manufacturing sector is heavily concentrated in the south.

There are some serious problems with regeneration and some questions I would ask the minister. How many forest management agreements with the Ministry of Natural Resources are being negotiated at present to ensure that forests are harvested and regenerated on a sustained-yield base? How many people have you employed to monitor these companies

which have entered into forest management agreements to ensure they meet with your government's reforestation regulations?

In so far as the Board of Industrial Leadership and Development is concerned, how much of the \$25 million, earmarked for the management of northern crown forests not currently under FMAs, has been spent and how did you spend it? What did you spend it on? How much of the \$10 million designated to the Ministry of Natural Resources for tree nurseries has actually been spent and what is the result of the spending of that money?

I have a few other questions the minister might want to answer. Why are FMAs being signed prior to the Ministry of Natural Resources' strategic land-use planning? It is like the chicken and the egg; which is first? Why are crown land forest operations, of which FMAs are a contractual guideline, exempt from the Environmental Assessment Act until December 1982, and thus exempt from legislative land-use controls?

The minister made reference in his comments to agriculture in the north. We in the opposition perceive a lack of commitment to agriculture in the north.

12:10 p.m.

An examination of the state of agriculture in the north clearly indicates this government's lack of assistance in the development of that industry. The production capability of the area is far beyond that which is currently being attained. In other words, something can be done with it.

The 1976 census figures reveal that of all the commercial farms which sold over \$25,000 worth of agricultural products in Ontario, only 613 of the provincial total of 27,664 were in northern Ontario. Moreover, 16 of the 39 counties and regions in southern Ontario had more commercial farms than all of northern Ontario combined.

We all recall the grandiose promises made in the Board of Industrial Leadership and Development program to drain and plough a million acres of virgin soil in northern and eastern Ontario. Where is the so-called acreage improvement fund which was to have been established for this purpose? This promise was not taken seriously by anyone in view of the fact that under BILD, \$400 million was committed over five years in the resource sector, including agriculture, forestry, and mining. To drain one million acres would cost the entire \$400 million scheduled for all three sectors.

On May 4, 1979, a northern Ontario agricultural study was established by the Minister of Northern Affairs to examine the potential for commercial vegetable and fruit production near major northern Ontario centres. If the member for Nickel Belt (Mr. Laughren) were present right now, I am sure he would again mention that food terminal. The committee has never reported and after three years we are still waiting for some recommendations.

I want to talk briefly about native communities. Indians are the victims of a government which simply does not care. They are regarded as nonresidents and the responsibility of the federal government. Provincial policies, however, have an overwhelming effect on Indians' lives. The Ontario government has failed to assume a role in the mediation process, established over three years ago with the Whitedog and Grassy Narrows Indian bands, concerning mercury pollution.

After over 40 months of negotiation, not one major issue in the Ontario package has been resolved. If I am wrong, please tell me as soon as you can what the result has been. The government's position has been simply to participate in the mediation to avoid public criticism, to offer nothing of significance and to ignore the real purpose of the process, namely, to assist two communities crippled by pollution.

Ontario, however, has the most significant responsibility in the events of these Indian reserves: Crown corporation flooding by Ontario Hydro of wild rice; the failure of the Ministry of the Environment to monitor mercury emissions; commercial fishing bans imposed by Ontario; the rape of timber licences by the pulp and paper companies; and the failure to enforce replanting. Ontario's position has been that it has no legal responsibility in the mercury pollution process and it completely ignores any ethical and moral responsibilities. As a result, Ontario has refused to offer virtually anything of significance in the four-party settlement.

The objective of the mediation process was to assist in the social and economic reconstruction of the two Indian communities. Without Ontario's meaningful participation in contributing to the resource access area, no viable solution can result.

The Hartt Royal Commission on the Northern Environment found that wild rice could be a key natural resource on which to base the Indian economy if proper water control devices were constructed to ensure proper water levels. The province, however, has refused to offer any

assistance to the Indians to develop this industry. The five year moratorium on new wild rice licences will end in May of next year. Will the minister support the extension of this moratorium, and will he assist the Indians if they bring forth an economic plan for the long-term development of this resource for the Indian people?

He shakes his head "no." Perhaps he can comment on that when he has the opportunity.

Carrying on with the subject of this royal commission, which a few moments ago I called the Hartt commission, the Royal Commission on the Northern Environment, this is my perception and the perception of people I talk to in the north—and I cannot pretend to be a northerner, but I can certainly do more than pretend to be interested in northern concerns. When I talk to people in the north about this royal commission, one thing comes back to me every time from all of them, that it is the laughing-stock of the north. The commission is in total disarray.

Two former members of the commission have come out publicly and admitted it is a joke. Mildred Barrett, former information officer, and Ron Christiansen, a former director of the commission's public participation program, both say it has been engaged in useless research since Mr. Fahlgren took over.

Some of the research is simply unnecessary; for example, a study on Indian education when a task force studied the same subject a few years ago. The Indians know what they want. This extra study was not required. Studies are being overtaken by events; for example, the study of environmental impact on the road built to Detour Lake, which was due last September, but road construction has already been approved. There are studies dealing with broad areas such as forestry, mining and education, but not specifics such as acid rain, waste disposal, industrial development, water and air pollution.

There are completed studies that have had very little impact. For example, John Willms, a Toronto lawyer, did a 250-page study on land use planning. In it, he wanted to prepare recommendations for legislation and administrative procedures so that residents would have more influence over their land. Yet little, if anything, has been done on that study. Then there is the never, or seldom, used strategic land use plan on West Patricia, an example of the right hand not knowing what the left hand was doing.

The commission was set up in 1977, and it is now well into 1982, and so far has cost \$5.6

million, and a guesstimate is that we may go to another \$4 or \$5 million before the study is completed. It seems that no ministry really wants to have anything to do with this particular royal commission, because it is our understanding now that the responsibility for it has been shifted or shoved over to the Attorney General (Mr. McMurttry).

We would like to know why that happened. If the Ministry of Northern Affairs is going to carry on, why does it not keep some rein on it? When are we going to see some results? It has now become the most expensive royal commission ever set up by this government. I think the Ministry of Northern Affairs more than any other has the responsibility, if it is going to carry on, to get it back on the track. Too much money has been spent to let it die. The expectations are great. Maybe the minister should consider changing some of the personnel, but no matter what he decides to do, this fiasco should be ended.

I am going to shift to another theme and comment briefly on some ongoing studies.

My colleague the member for Rainy River (Mr. T. P. Reid) has brought up this matter repeatedly in the House and during other estimates. He has pointed out on many occasions, as has the member for Lake Nipigon (Mr. Stokes), that the north has been studied to death. We have such things as the Design for Development study, the West Patricia land use study, The Atikokan Story and the great royal commission, to which I have already referred. Yet we do not seem to get any action from these studies. Single industry towns, forest depletion, environmental problems—

Hon. Mr. Bernier: Have you read *The Atikokan Story*?

Mr. Van Horne: I have tried to read practically everything that has come over my desk. Certainly the minister with all his experience and wisdom and northern background would be able to enlighten me. Let me give him the opportunity to do that rather than us having an exchange while I am completing my notes.

12:20 p.m.

Hon. Mr. Bernier: It is obvious that you have not read *The Atikokan Story*.

Mr. Van Horne: The minister can make his comments when I am finished.

I would like specific information on four studies which are presently ongoing. The first one is the task force on the high cost of living in the north. When will the task force report its

findings? Will the recommendations made in that study be available to the public?

The second question is: What is the ministry's response to the 15 recommendations that came out of the study that the minister says I did not read? I believe there are 15 recommendations in that Atikokan study.

How many man-hours were spent on the study into rapid transit between Sudbury and Elliott Lake? This was promised by the Premier (Mr. Davis) before the last election.

When will the report on wild rice, conducted by Peter Lee at Lakehead University, be available?

Let me move over to another theme, and that is transportation. I am sure the member for Lake Nipigon is going to have much more to say about this. The minister knows very well that because of the effects of the Via Rail cutbacks, places like Fulton, Mud River, Collins and Allan Water are now completely isolated.

In last year's estimates the minister mentioned building a highway from Nakina over to Savant Lake, paralleling the north line of the Canadian National Railway which would serve those communities that were abandoned. It is a feasible route, so why is the minister passing the buck over to the feds? There is responsibility or certainly a moral obligation on his part in conjunction with the Ministry of Transportation and Communications to provide an alternative for these people.

What has come out of the minister's discussions with the federal department of transportation? Is there a possibility of sharing the responsibility? If not, is the minister going to leave these people who live in the isolated areas with no transportation alternative?

Again, my colleague the member for Rainy River has on many occasions, as have other members in our caucus, talked about alternative sources of energy. We have looked to the north as the place that could provide an alternative source of energy. I am referring now to peat. I am following the government's policy concerning peat development as closely as I can.

Since the release of the government study which is headed, "Evaluation of the Potential of Peat in Ontario" expectations have been raised for the possible development of this new major industry for northern Ontario. I think the minister made at least a brief reference to it in his opening comments. The study shows that Ontario has many millions of acres of peat land the development of which would be a tremendous

boost to the economy of northern Ontario, with primary sites at Thunder Bay and in the Timmins-Kapuskasing area.

In the throne speech, although there were only two major references to the Ministry of Northern Affairs, one reference was made that this ministry will co-ordinate programs to stimulate and encourage pilot projects using peat and waste wood. However, in the estimates briefing book, only one small reference was made concerning peat development and that was basically only to study the possibility of setting up a pilot project. That too, I think, was reported in one of the press clippings I had here a few moments ago when the minister made reference to his meeting with the Finnish government, or if it was not the Finns, it was another of the Scandinavian countries.

I feel that is not enough. This development should be accompanied by every possible measure of government aid and counselling to get this industry on track. It has been identified as an important resource in the study I referred to, first as a move towards offering an alternative to the present depletion of energy resources and second, as a boost to the economy of northern Ontario.

My last point of concern, Mr. Chairman, though certainly not last in terms of priority, is that I do want to observe that the minister is very much aware of our party's health task force which travelled the north. He was quick to point out that we did not seem to have very much of a positive nature to say. I think those people we did talk with in the north were fully cognizant of the purpose of our visit and fully aware of the government process.

I would not place the intelligence of a northerner under any shadow of doubt; northerners know that the government has one responsibility and members of the opposition have another. Certainly, on occasion we do give the government credit for doing things right, but our major function is to point out areas for improvement and to suggest where we think the government has fallen short of the mark.

With regard to the facilities we saw in the north and the people who are responsible for those facilities, generally the other members of our committee and I were very impressed. Certainly we were impressed with the dedication and skill of the people we talked to.

There are some down sides to some of the facilities. Some of the facilities need additions because they are bulging or almost breaking at the seams; there are other facilities that have

been there for some time and need renovating. Our report will point out those areas where we think these changes or improvements could be made.

The minister made reference, I think, to the referral centres. Certainly anyone who has spent any time in the north will agree that this is what they should have. It was pointed out to me time after time when I was in Thunder Bay, that when we say "north" we have to be very cognizant that northwestern Ontario has needs and concerns that are their concerns and are not necessarily the same ones found in northeastern Ontario, and I want to be sure that is on the record. So as we consider the theme of referral centres it is pretty obvious that we would have to have a northeastern and a northwestern if not an additional north central referral centre, for a whole variety of reasons.

The minister made reference to the air ambulance service, to the availability of treatment and facilities within an hour's plane ride, but we both know that there are certain specialty areas lacking in some of the northern communities. I will give one example that was brought to our attention.

In one of the northern communities there is no endocrinologist. The wife of one gentleman had a thyroid problem. That problem led to her having to be treated here in Toronto, and the net result in cost to him, merely for travel expenses, was in excess of a couple of thousand dollars. There is no insurance for that; that is a straightforward cost to his personal resources.

That is one example. There are many others that the minister knows and I know could be put on the table right now. The point is that referral centres of themselves would not answer all of the problems, but certainly they would go a long way towards meeting the needs and expectations of those people in northern Ontario.

Again, I do not want to make too many comments about specific recommendations because they will come forward in the next few weeks when our report comes out. But there are some concerns in areas such as psychiatric treatment and care, and I want to read just a few lines from one of the very complete reports that was presented to our committee.

Those people who are here in committee right now can see the thickness of this report. It is approximately 30 pages. The gentleman who put this report together for us did so because he is dedicated to his job and to the north. This particular reference has to do with the problems

of mental health care in the Sudbury and Manitoulin areas.

One of the comments made here is: "Standards, however, are developed by urban professionals from southern Ontario and for the urban southern Ontario situation. It would appear from review of these standards for group homes that not one group home could be set up on an Indian reserve with the current residential facilities there, and thus native people would be excluded from the development of therapeutic facilities for their own people.

12:30 p.m.

As well, these standards have resulted in the closing of a number of group homes, particularly in the Sudbury area. The intention of localization of services was to develop services in each community, particularly in the north, since many children were sent away from their home areas to more adequate residential facilities in southern Ontario. Because of the standards and the closing of a number of facilities, children and young people are still sent to southern Ontario, to such places as Campbellford, Consecon and Kitchener, for long-term therapeutic care.

It is worth noting and pointing out to the Provincial Secretary for Social Development (Mrs. Birch) that much of the difficulty has arisen because of the nature of the civil service. With the union of children's services, a large majority of the civil servants came over from the Ministry of Correctional Services. To maintain their position in the civil service, naturally such professionals were incorporated into the new system and have come to dominate the administration of children's services. The program supervisor for the Sudbury Algoma Hospital has a degree in criminology and no experience in mental health institutions.

That is a tough statement. In my view that would make the provision of services not what I would consider adequate for these young people with problems. I am not trying to belittle the person with his criminology background. I am simply saying that kind of background is inadequate to accommodate the needs of young people who might have some mental problems. That is one of the problems that came to us fairly clearly in our review of the north. Again, I do not want to condemn. I am simply pointing out that there are areas for improvement and that certainly is one of them.

I have other specific questions, but I think I will stop at this point and allow the member for Lake Nipigon at least to get started with his

remarks. If he is not finished by one o'clock, we will have to wait until next week for these questions and the specifics of these estimates.

Mr. Stokes: Mr. Chairman, first I want to compliment the member for London North in his new chore of being the Liberal critic for the Ministry of Northern Affairs. It is quite obvious that he has done his homework. He has read my speeches. He has covered a wide range of topics that are of concern to every member from the north and to everybody living in the north. I think he will get a different perspective if he makes a few trips up there rather than just reading recycled speeches down here, but to the extent that he has a grasp of what Northern Affairs is all about, I compliment him.

I want to join with the minister in welcoming the new deputy, Mr. Hobbs, who has had some experience in transportation. I had the privilege of attending a meeting with him, along with representatives of the ministries of Education and Revenue, over an ongoing problem that everybody in this House is aware of. It has to do with the delivery of education services in the north, and I think we have some time to solve that problem.

While Mr. Hobbs has not made a significant contribution towards that overall problem, I know he will be involved with the commission of inquiry that has been set up to look into the delivery of education to students, our most precious resource in the north.

I want to pay tribute to the Minister of Northern Affairs (Mr. Bernier) before I get into the main import of what I have to say. I want to pay tribute to his interest and involvement in the educational problem surrounding the closure of the Lake Superior High School campus at Schreiber.

I hope he will not turn his back on the situation, because those of us who live in the north know that when one closes a high school something happens to a community. It is not only a question of dollars. It is not only a question of enrolment. It is a question of how to provide the level of educational excellence promised by the Premier (Mr. Davis) when he was Minister of Education back in 1968 when he fathered the consolidation of schools throughout the province.

It was heartening to hear the Minister of Education (Miss Stephenson) say, when she announced the setting up of the commission of inquiry, that things are different in the north. There is a uniqueness in the way in which we approach the social and economic problems.

Solutions that may be appropriate in southern Ontario have no validity in the north. I am hoping this ministry will become involved in that inquiry.

If one looks at the terms of reference given to Rodger Allan, one will see that he will be meeting with the school board and concerned citizens. There is an opportunity for him to meet with staff of other ministries having responsibility for the delivery of services in the north. I am impressing upon the Minister of Education and the Provincial Secretary for Social Development that one does not look just at the dollars and the numbers, one looks at the quality of the product that one is making available in terms of providing an educational experience for northern students.

This minister has become involved in this important question. I hope he and those in the ministry who are responsible will continue this so we get a resolution of this problem that will deliver the educational experience students in the north have a right to expect.

One of the heartening things is that out of adversity comes an opportunity to take a new approach to the delivery of those services. I know the minister is well aware of what happened in Red Lake a few days ago. There again, the commissioner is not only going to look at the Lake Superior situation; he has a mandate to go a little farther afield and bring in recommendations that have some application to all similar situations throughout the north. I think the minister has to become even more involved than he has been up to this point.

I want to refer to another situation before I get into the main import of my remarks. It has to do with a natural disaster in Fort Severn, which is the most northerly community in Ontario. It is an Indian reserve. Late last fall, right after the goose hunt in that community, they had very high winds and very high tides which wiped out all the boats, all the motors and all the equipment they use not only to conduct the goose hunt but to pursue their traditional lifestyle of hunting, fishing and trapping in that community on the shores of Hudson Bay. The result of that disaster, and it was a disaster in a northern community like Fort Severn, was that they lost all their equipment, and the price tag that was put on it was something like \$22,000.

12:40 p.m.

They asked me to intercede on their behalf with both the provincial government and the federal government, and the answer I got from both levels of government was, "No, there is

nothing we can do." I approached the Minister of Municipal Affairs and Housing (Mr. Bennett), I wrote to the Minister of Northern Affairs, I wrote to the then Provincial Secretary for Resources Development (Mr. Ramsay) and I wrote to those people over in Ottawa who were responsible, in my view. The answer was still no.

I persevered with the Provincial Secretary for Resources Development. He was convinced that restoring the means of livelihood in that northern community was something we had a responsibility to get involved in. That is why I suggested to the member for London North that it is all right to listen to what has been said about the mandate of the Ministry of Northern Affairs, but you really have to get out into those communities and find out what is going on. We will throw away \$22,000 here without batting an eye, and yet we will deny a northern community like Fort Severn that \$22,000 to restore their means of making a living.

Mr. Nixon: The minister's predecessor took us to Fort Severn.

Mr. Stokes: That's right. The reason I relate this story to the committee here today is that the result of my intercession with the Provincial Secretary for Resources Development and, latterly, the new Minister of Citizenship and Culture (Mr. McCaffrey) was that we got a commitment from our own resources policy field for the amount of \$12,000. They said, "We hope you will use your good offices to impress on the federal government that they have some responsibility in this, because it is a problem concerning native people and it is a reserve."

They continued to say no over in Ottawa until May 12. Finally, on May 13 I got a letter from the Honourable John Munro, who said, "This is not an insurance matter." But he considered it to be a political matter, and we cajoled them into coming up with \$10,000 in order to satisfy the very legitimate needs of a northern community.

I will let the members of this committee draw their own conclusions as to who was embarrassed and whose primary responsibility it was to satisfy that legitimate need. That is where the Ministry of Northern Affairs comes in. I want to say right here and now that had it not have been for the intervention of Russ Ramsay we would not have not made the grade at either the provincial or the federal level. Let that be a lesson to the Minister of Northern Affairs, because he was fully aware of what was going on. I kept him fully apprised. I do not want to go over it in great detail, but this is his mandate.

Let me remind the minister of that by throwing his own words back at him, taken from the Ministry of Northern Affairs 1982-83 estimates, wherein it is stated that the ministry's mandate is "advising and participating in the planning and financing of government programs, services and activities in northern Ontario provided by other ministries; improving the accessibility of the programs, services and activities of the government of Ontario to the residents of northern Ontario; making recommendations regarding priorities for research of social and economic conditions of all areas of northern Ontario."

More specifically, the mandate is to "maintain effective liaison with appropriate officials through the government of Ontario and other levels of government" and to "participate in government and interministerial planning and advisory committees, task forces and study groups," and so it goes.

I want to impress upon the minister and anybody else who cares about northern affairs that not only do you have a responsibility to co-ordinate the programs you have direct responsibility for, you have the responsibility for interministerial programs at this level and for intergovernmental programs.

We have the Department of Regional Economic Expansion Ontario agreements, which are very high profile. A good many of the major industries in northern Ontario say: "This is government at its finest. You get so much money from the federal government and so much money from the provincial government." The industrial wizards in northern Ontario think it is the greatest thing since sliced bread. But when we get something like a modest request for \$22,000 from a northern community, where are you, Mr. Minister?

Let me highlight what I mean in very specific terms by quoting from a letter I received from Wunnumin Lake.

"Dear Mr. Stokes:

"Please find enclosed a copy of correspondence and a band council resolution submitted to the Department of Indian Affairs requesting immediate action in meeting our need and demand for community electrification. You are probably adequately aware of our situation in regard to this matter as you have been in our community on several occasions. I feel the enclosed documents will indicate our position on this most urgent matter.

"It is totally unsatisfactory and unfair for our people to be left without electricity, especially when the government's highest priority is to

exploit more energy from our natural resources. It is completely shameful that the government is leaving a community of 315 people without electricity in this day and age. This situation must be resolved immediately. Therefore we urge the government to provide funding so that community electrification may become a reality for us by the end of 1984.

"Your assistance is required in lobbying on our behalf and dispersing the enclosed documents to the Minister of Indian Affairs and other appropriate levels of government.

"Yours very truly, Chief John Bighead."

There is another letter, stating that in 1981, 58 residents of Wunnumin Lake would have spent \$12,876 for one year based on 200 kilowatt hours per month" at the normal rate if they had electricity. Let me tell you what they actually spent, with their little portable Honda and other makes of generators. They spent \$42,000 on gasoline and oil to operate their own individual generators in that community.

12:50 p.m.

I realize the dollars required to install diesel generators in a community like Wunnumin Lake is not directly the responsibility of this ministry. The funds will be made available in their own good time by the Department of Indian Affairs and Northern Development and the work is actually done by Ontario Hydro. You know how slowly that department works in the overall scheme of things.

These are the kinds of problems this ministry can legitimately undertake, given the mandate I alluded to a little earlier. The minister and this ministry have a responsibility to do just that.

Let me talk about a few other things dealing specifically with native problems which I want to bring to the minister's attention. The minister mentioned the situation at Armstrong in his opening remarks. In Armstrong, we have the Whitesand Indian band. They are looking for some seed money to determine where they will establish a reserve. Apparently they have some kind of commitment from the federal government that a reserve will be established in the vicinity of Armstrong for the Whitesand band. It will require very close liaison between the federal government and the provincial government to accomplish this.

The minister also knows about money that was made available by his ministry to assist in the setting up of an economic development officer and a study that will allow them to achieve some kind of economic base, based on the resources that are indigenous to that area.

On at least two or three occasions, the minister had representatives at meetings that were held in Armstrong. I know his people there, particularly Neil Stuart and other people from the Thunder Bay office, are fully aware of it.

There are areas where you can assist communities like Armstrong and groups like the Whitesand band so they can co-ordinate their efforts. The last thing we want is another brand new Indian reserve, 20, 30 or 40 miles out in the wilderness when we can have a viable community made up of our first citizens and long-time residents of a community like Armstrong. Then we can co-ordinate the needs and aspirations of all the people in that area. In other words, we can find better ways of doing things.

Not only do you have the mandate to do that, I think you have a moral and legal obligation to get involved in those kinds of things.

There is one other problem I want to bring to the attention of the minister and this committee, one of which I am sure he is aware. If the Provincial Secretary for Social Development (Mrs. Birch) is not aware of it she should be, and I am grateful she has chosen to be here on this occasion, allowing me to speak to her directly. It has to do with the desperate social problem we have in many communities in northern Ontario affecting children, particularly native children.

I want to report to both the ministers that I have a community in my riding—I will not mention it by name—where 10 per cent of all the children residing there are under the care of a children's aid society. The Minister of Northern Affairs will know the community I am speaking of. A program has to be initiated that will focus attention on that very serious need. Other jurisdictions have allocated human and financial resources to resolve the problem, and if we are ever going to bring our first citizens into the social and economic mainstream of this province and this country we have to start with education and we have to allocate every bit of our human and financial resources to solve this very serious problem.

It is being done in other jurisdictions. In Manitoba, they believe the responsibility for the wellbeing and care of our children rests not only with the parents but with society as a whole. When you look at the lives of native children there are a lot of issues that come to mind. Two issues have been in the news lately, both of them stories coming out of Manitoba. For a long time, native leaders have been asking for jurisdiction and control over the social services that are

provided to their children, and an agreement was just signed in Manitoba to accomplish that.

We must give responsible native leaders control over the treatment of this very serious problem confronting the children of native people in northern Ontario. It is a very delicate kind of problem. People will say I am being overly dramatic, but this minister, along with the Provincial Secretary for Social Development, should talk to children's aid societies, talk to court workers, talk to the legal aid people who assist our first citizens who run afoul of the law. John Nywenig of the social development secretariat is well aware in detail of what I am talking about.

I do not want to drag all the embarrassing details out here but these two ministers, more than any other, have not only the responsibility but an opportunity to do something useful,

meaningful, worthwhile, and desperately needed to bring order out of the chaos confronting a lot of the children in that area. If either minister wants more details of what I am talking about, I will be only too happy to provide them. This ministry and that secretariat have a responsibility to address themselves to that problem. I cannot stress too much the urgency of dealing with that problem as it affects the children of our first citizens in many communities in northern Ontario.

I have many other things I want to get into, but I think this would be an appropriate time for me to break off my remarks.

On motion by Hon. Mr. Gregory, the committee of supply reported progress.

The House adjourned at 1:01 p.m.

APPENDIX

ANSWERS TO QUESTIONS ON NOTICE PAPER

PUBLIC OPINION POLLS

13. Mr. T. P. Reid: Will the ministry table the public opinion polls commissioned by the government from February 1, 1981, to March 1, 1982? Will the ministry also provide the cost of each poll and the company that took the poll? Will the ministry table the polls that have been taken in this time period? [Tabled March 17, 1982].

See sessional paper 119.

113. Mr. Bradley: How many public opinion polls have been undertaken by the government since January 1, 1982? On what topics were the polls? When will the results be tabled? [Tabled April 28, 1982].

Hon. Mr. McCague: The public opinion polls completed between January 1, 1982, and March 1, 1982, were listed as part of the answer to question 13, Order Paper 7. The topics of other polls, which had not been completed by March 1, 1982, or which were undertaken since that date, are shown on the following list. When the results are available, they will be tabled individually by the ministers involved.

Ministry of the Attorney General:

Topic of poll: public attitudes to racial diversity in government advertising.

Ministry of Energy:

Topics of polls: Toronto "Heat Save" pre-clinic awareness and clinic trial—area 1, north Toronto, area 2, north-central Toronto; "Heat Save" public attitudes and effectiveness monitoring; "One-Year-After" study in St. Thomas; Wave III—tracking research survey of energy conservation behaviour and attitudes; Peterborough benchmark survey—pre-campaign study of energy conservation behaviours and attitudes.

Ministry of Health:

Topic of poll: attitudes towards health and the health care system.

Ministry of Municipal Affairs and Housing:

Topic of poll: public attitudes towards current and future housing needs (part of Gallup Omnibus).

Ministry of Natural Resources:

Topic of poll: Shoal Lake—a fishing regulation review.

Ministry of Tourism and Recreation:

Topic of poll: US and Ontario advertising tracking study.

Ministry of Treasury and Economics/Energy/-Cabinet Office:

Topic of poll: matters concerning strategic policy.

Ministry of Transportation and Communications:

Topics of polls: speed limitation attitude survey; Highway Traffic Act compliance in the trucking industry; seatbelt usage; provincial highway priorities.

ONTARIO DEVELOPMENT CORP.

136. Mr. Wildman: Would the Minister of Industry and Trade table detailed information on the success that companies receiving development corporation aid have had in meeting their projected job creation goals? In particular, since the annual report of the Ontario Development Corp. (1980-81) indicates that for fiscal 1976 and fiscal 1977, 490 loans were issued and an estimate of a five-year job creation target of 6,042 was provided, would the minister provide a detailed breakdown of those companies which have met their targets as well as those which have not? [Tabled May 7, 1982].

Hon. Mr. Walker: The five-year job estimates in the ODC annual report refer to a period of five years following the date of final cash disbursement to the borrower, rather than five years from the date the loan was approved.

Disbursements are made to the borrower in stages, as he proceeds towards completion of the project being financed. Consequently, final disbursement will not occur until the project is completed, which could be up to two years or more after approval, depending upon the size and complexity of the project.

It must be realized that the "estimated new jobs" does not represent a commitment on the part of the borrower. The borrower's main commitment is to repay the loan, with interest, over a specified period of time. The job figures are primarily used as a guide to help determine the loan's potential economic benefit.

Active borrowers are requested to submit employment figures on a regular basis, and

these are kept with his file. From time to time, depending upon the availability of staff, the files of borrowers who have received performance loans, term loans (except tourist loans), and incentive loans are surveyed. Borrower contact is maintained only as long as a loan is active. Of the 495 approvals in fiscal 1976 and 1977, 179

have since been repaid, rescinded or written off, and a further 129 were tourist loans.

The last employment survey was conducted in 1980, and shows the employment levels to March 31 of that year. The majority of fiscal 1976 and 1977 borrowers are contained in lines (c) and (d) of the following survey.

THE DEVELOPMENT CORPORATIONS

Additional employment achieved by borrowers as at March 31, 1980

Date of final disbursement	Time elapsed from final disbursement	Number of borrowers	Actual additional employment achieved	Projected additional employment	
				Year 1	Year 5
(a) Dec/78	One year	41	1,329	744	4,732
(b) Dec/77 to Nov/78	13 months to two years	219	2,346	1,664	4,532
(c) Dec/76 to Nov/77	25 months to three years	121	1,775	1,028	2,536
(d) Dec/75 to Nov/76	37 months to four years	121	3,272	1,350	3,262
(e) To Nov/75	49 months and over	332	8,739	2,793	6,871
Total.		834	17,441	7,579	21,933

Note: Analysis was based on: (1) borrowers who had final disbursements on or prior to December 31, 1978; (2) active loans as at December 31, 1979, which were made under the following programs: performance, industrial mortgage, small business, venture capital, OBIP.

PHOSPHORUS INPUT TO LAKE SIMCOE

137. Mr. Elston: Would the Minister of the Environment provide data on total phosphorus input to Lake Simcoe, in metric tons per year, for the years 1979, 1980 and 1981, and the expected input for the years 1982, 1983, 1984 and 1985? [Tabled May 10, 1982].

Hon. Mr. Norton: The input of phosphorus to Lake Simcoe for the period 1979 to 1981 was approximately 105 metric tons per year. This figure represents the summation of inputs from sewage treatment plants, the watershed drainage, atmospheric deposition and other smaller miscellaneous inputs. This phosphorus loading has remained essentially unchanged since 1979 and is not expected to change significantly until late 1984. The sewage flow from Aurora and Newmarket will be diverted south into the York-Durham sewage system at that time. We expect a reduction of six metric tons, which will reduce the total input to 99 metric tons per year.

We anticipate that phosphorus loadings from Barrie and Orillia will be reduced by eight metric tons per year when additional treatment facilities are installed. Plans are to reduce the present design concentration of phosphorus in effluent from one mg/L to 0.3 mg/L. We are at

present negotiating with the city of Barrie on financial and timing arrangements. We are expecting the results of a feasibility study for Orillia in July of this year and will subsequently initiate discussions with that municipality. At present I cannot specify when the capital works required to achieve these phosphorus reductions will be installed; however, we expect that this will happen in the next year or two. The resultant reduction of eight metric tons would reduce the total input of phosphorus to 91 metric tons per year.

Studies are under way during 1982-83 to assess the feasibility of reducing phosphorus input to Lake Simcoe from rural and urban runoff, particularly in the Holland Marsh area. We are awaiting the results of these studies, but are hopeful that further reductions of two to four metric tons per year are possible.

MINISTRY OF HEALTH OFFICE RENOVATIONS

139. Ms. Coppins: When was the office and anteroom of the former Minister of Health last renovated? What kind of renovations were carried out and at what cost? [Tabled May 11, 1982].

Hon. Mr. Wiseman: The renovations in ques-

tion were completed in January 1980 and consisted of recarpeting at a cost of \$4,200.

140. Ms. Copps: When was the newly occupied office and anteroom of the Minister of Health renovated? What kind of renovations were carried out and at what cost? [Tabled May 11, 1982].

Hon. Mr. Wiseman: The renovations in question were completed in May 1982 and consisted of both recarpeting at a cost of \$6,779, and the installation of drapes at a cost of \$1,687.

LAKE SUPERIOR BOARD OF EDUCATION

142. Mr. Stokes: 1. Is the Minister of Education truly interested in the delivery and quality of education in this province and specifically in the Lake Superior High School?

2. Is the solution to the problem contained in the school study committee's final report?

3. How in clear conscience can the Ministry of Education allow the expenditure of at least \$662,000 to expand the Terrace Bay facility when the solution as recommended by the study committee will not result in any capital costs?

4. At what point would the ministry become involved with respect to the decline in the quality of education in a school?

5. If the Ministry of Education is government for the people, why is it not listening to the people?

6. What criteria are in existence for the Ministry of Education to conduct an internal investigation of a school board and/or the administration of a school board?

7. Why would the regional office of the Ministry of Education in Thunder Bay not (a) answer questions posted by the school study committee, and (b) question the board of education regarding its own minutes of a meeting in December 1981, at which Marg Toomey moved that nominations be closed?

8. Why has the Ministry of Education, either regionally or provincially, not done a study in terms of how a twinned campus actually functions, yet recommends that all school study committees study "twinning"?

9. Why has the Minister of Education not attended any meetings or tours in the Lake Superior Board of Education area to attempt to understand the expanse of the jurisdiction of this board when the minister has been invited to do so in the past?

10. Why does the Education Act not clearly define the role of a director, and why are five

different terms used, such as chief executive officer, secretary-treasurer, etc.?

11. Why would the Minister of Education state in written form that the people of Schreiber would receive "a full hearing" before closure took place?

12. Why is the Ministry of Education not making inquiries into the Lake Superior Board of Education on behalf of the 50 per cent of the communities, including the town councils, which have requested that they be allowed to set up isolated school boards?

13. Is the minister aware that the Honourable George Wardrobe stated in November 1963, during the official opening of the Schreiber High School, that he, along with Prime Minister Robarts and Education Minister W. G. Davis, were firmly convinced that this was a sound investment which would add significantly to the fabric of the township of Schreiber?

14. Is the Minister of Education aware that in his address, Mr. Wardrobe mentioned that with an enrolment of 136 students in 1962-63 and eight teachers, the government felt that the decision to build this school was completely justified?

15. Why are the Minister of Education and her ministry not concerned about the fact that this school, with an enrolment of 160, and the best high school building in the district, with a value in excess of \$1 million, is being closed while the Ministry of Education is authorizing expenditures of \$662,000 to accommodate these 160 students elsewhere?

16. Is the Minister of Education aware that on the advice of the Minister of Northern Affairs, the town of Schreiber invited the 14 board of education trustees to a closed meeting on Saturday, May 8, 1982, to give them an opportunity to explain their actions concerning this closure? Given the fact that only two trustees accepted the invitation, is the Minister of Education satisfied that our concept of democracy is being well served? [Tabled May 11, 1982].

Hon. Miss Stephenson: In the light of the statement made in the Legislature on May 20, 1982, by the Minister of Education, it is appropriate that these questions be referred to the commissioner for consideration.

INTERIM ANSWERS

143. Mr. Boudria: Hon. Mr. Drea—The scope of the question is such that additional time will be required to research a thorough reply. A final answer is expected on or about June 1, 1982.

144 and 145. Mr. Grande: Hon. Miss Stephenson—We require additional time to prepare our response to the above questions. The answers will be ready for tabling on or about June 20.

147. Mr. Philip: Hon. Mr. Grossman—This ministry will require additional time to respond to this question. The answer should be available on or about June 4, 1982.

149. Mr. G. I. Miller: Hon. Mr. Norton—Additional time will be required in order to be answer this question. The response will be available on or about June 8, 1982.

160 and 161. Mr. Boudria: Hon. Mr. Gregory—Matters dealing with the expenditure of Legislative Assembly funds should be directed to the Speaker.

171. Mr. Breaugh: Hon. F. S. Miller—The answer to this question will be available approximately June 30.

172. Mr. Breaugh: Hon. Mr. McCague—The detailed costing information required by this question will take longer than the normal 14 days to prepare. The answer should be available by about mid-October 1982.

CONTENTS

Friday, May 28, 1982

Oral questions

Grossman, Hon. L. S., Minister of Health:	
Hospital funding , Mr. McClellan, Ms. Copps.	2091
Extra billing , Mr. McClellan, Mr. Wrye.	2094
Deaths at Hospital for Sick Children , Ms. Copps.	2096
McMurtry, Hon. R. R., Attorney General:	
Sunday openings , Mr. Williams.	2098
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
Skills training , Mr. Peterson, Mr. T. P. Reid, Mr. Grande, Mr. Nixon.	2089
Teacher-board negotiations , Mr. Bradley.	2099
Welch, Hon. R. S., Minister of Energy:	
Suncor practices , Mr. Peterson.	2088
Energy rates , Mr. Swart, Mr. Bradley.	2097

First readings

Municipality of Metropolitan Toronto Amendment Act , Bill 127, Miss Stephenson, agreed to	2099
City of Thunder Bay Act , Bill Pr31, Mr. Mitchell, agreed to.	2100

Committee of supply

Estimates, Ministry of Northern Affairs , Mr. Bernier, Mr. Van Horne, Mr. Stokes, adjourned	2100
--	------

Other business

Private investigators' practices , Mr. Mackenzie, Mr. G. W. Taylor.	2087
Police role in strikes , Mr. G. W. Taylor.	2087
Notice of dissatisfaction , Mr. Swart.	2099
Answers to questions on Notice Paper , Mr. Gregory, tabled.	2100
Adjournment	2117

Appendix

Answers to questions on Notice Paper

McCague, Hon. G. R., Chairman, Management Board of Cabinet:	
Public opinion polls , questions 13 and 113, Mr. T. P. Reid, Mr. Bradley.	2118
Walker, Hon. G. W., Minister of Industry and Trade:	
Ontario Development Corp. , question 136, Mr. Wildman.	2118
Norton, Hon. K. C., Minister of the Environment:	
Phosphorus input to Lake Simcoe , question 137, Mr. Elston.	2119
Wiseman, Hon. D. J., Minister of Government Services:	
Ministry of Health office renovations , questions 139 and 140, Ms. Copps.	2119
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
Lake Superior Board of Education , question 142, Mr. Stokes.	2120
Interim answers , questions 143, 144, 147, 149, 160, 161, 171, 172.	2120

SPEAKERS IN THIS ISSUE

Bernier, Hon. L., Minister of Northern Affairs (Kenora PC)
Bradley, J. J. (St. Catharines L)
Breithaupt, J. R. (Kitchener L)
Copps, S. M. (Hamilton Centre L)
Cureatz, S. L., Chairman (Durham East PC)
Davis, Hon. W. G., Premier (Brampton PC)
Grande, T. (Oakwood NDP)
Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
Johnston, R. F. (Scarborough West NDP)
Laughren, F. (Nickel Belt NDP)
Mackenzie, R. W. (Hamilton East NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
McMurtry, Hon. R. R., Attorney General (Eglinton PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Peterson, D. R. (London Centre L)
Reid, T. P. (Rainy River L-Lab.)
Ruston, R. F. (Essex North L)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Stokes, J. E. (Lake Nipigon NDP)
Swart, M. L. (Welland-Thorold NDP)
Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)
Turner, Hon. J. M., Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Welch, Hon. R. S., Minister of Energy (Brock PC)
Williams, J. R. (Oriole PC)
Wrye, W. M. (Windsor-Sandwich L)

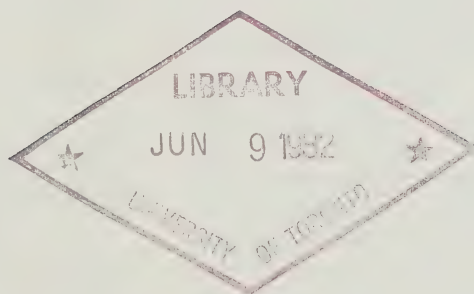


Ontario LEGISLATIVE ASSEMBLY

No. 60

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Monday, May 31, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, May 31, 1982

The House met at 2 p.m.

Prayers.

OMISSION FROM ROAD MAP

Mr. J. A. Reed: Mr. Speaker, I rise on a point of personal privilege to express to this Legislature the indignation of 7,100 citizens of the town of Acton, which has been left off the official road map of Ontario, to be published at the end of June.

It could be understood if this was a simple error. Errors of this nature apparently have happened before. But, in fact, the omission of the town of Acton from this official road map is deliberate.

Mr. Speaker: Order. That really is not a point of privilege—unless you are going to develop one.

Mr. J. A. Reed: It would seem the privileges of 7,000 citizens, as well as mine as their representative, are at stake here.

Mr. Speaker: Order. That is not a point of personal privilege.

Mr. J. A. Reed: Are you saying it is not a point of privilege?

Mr. Speaker: That is exactly right. Your privileges have not been abused in any way.

Mr. J. A. Reed: How about a point of order?

Mr. Speaker: A point of order?

Mr. J. A. Reed: Whatever. A point of information?

Mr. Speaker: Clarification? I suggest the proper way to handle it would be to ask the question of the minister involved at the proper time.

Mr. J. A. Reed: So you are going to rule me out of order.

Mr. Speaker: Yes. I already have. Thank you.

MUNICIPAL ELECTION REFERENDUM

Mr. R. F. Johnston: Mr. Speaker, I have a point of privilege which speaks to my privileges as a member of the House.

On May 13, that day of infamy when the budget was brought down in the House, I, the Leader of the Opposition (Mr. Peterson) and others, raised questions of the Premier (Mr.

Davis) and the Minister of Municipal Affairs and Housing (Mr. Bennett) about the possibility of a disarmament resolution being brought forward this year by municipalities and about some questions of legality that were being raised at that time. We were told by the minister, and then by the Premier, that they were looking into the legal ramifications this raised.

The Premier promised me, as reported on page 1715 of Hansard, "As soon as we have that information, I am sure either the Attorney General or the Minister of Municipal Affairs will be delighted to share it with members of the House."

I have a copy of a letter here which was taken down over the phone by the assistant to the member for Lake Nipigon (Mr. Stokes). It is a letter to the clerk-treasurer of the township of Longlac from the Attorney General (Mr. McMurtry) in which he clearly makes a decision as to whether this will be an order. I would like to read it into the record and then basically ask why we were not told about this first, as the Premier indicated we would be.

Mr. Speaker: From what the member has said, I do not see that the member's privileges have been abused. Again, I think it would be more appropriately handled during question period by the appropriate minister.

Mr. R. F. Johnston: Mr. Speaker—

Mr. Speaker: I am not going to debate it. I do not recognize it as a point of privilege.

Mr. R. F. Johnston: If I might, I am not sure I understand it. The promise has been made by the Premier that something would be brought forward at the earliest opportunity by a minister. It has not been done. In fact, it is shared, in one opinion, with one township. Surely that does abrogate a promise and therefore my privilege as a member of this House.

Mr. Foulds: That was a promise, if I might—

Mr. Stokes: It was the word of an honourable member.

Mr. Foulds: Right, exactly.

Mr. Speaker: Right, exactly. I think a commitment was made. I do not know whether it has not been fulfilled. I am sure it will; I am sure the Premier, or whoever it was that the

member is asking the question, will take note of the member's inquiry. Again, I would suggest that it would be more properly handled in the question period by the proper minister.

Mr. Foulds: Mr. Speaker, on the point of order—

Mr. Speaker: Yes, go ahead.

Mr. Stokes: The member cannot rise while the Speaker is still standing.

Mr. Speaker: All right.

Mr. Foulds: Mr. Speaker, is it not clear under the standing orders of the House that ministerial statements are the opportunity to make statements of policy by the government? In that case, surely, when a commitment has been made to the House that a statement of policy will be made as soon as possible in response to a question, when the government has clearly decided on the policy and is disseminating it throughout the province to municipalities, surely it is an abrogation of the privileges of the House that the opportunity, according to the standing orders, was not taken by the minister to make the statement in the House to the members and to my colleague the member for Scarborough West (Mr. R. F. Johnston).

Mr. Speaker: I think the key word is "opportunity"—the opportunity to make the statement. With all respect, I do not think the privileges of any member, or of all members, have been abused. From what I understand the honourable member to say, a commitment was given and presumably that will be addressed at the appropriate time.

Mr. Foulds: Mr. Speaker, why do we not just close down the Legislature and let the government make its statements to the province through television or radio?

Mr. Speaker: The member is clearly out of order.

Mr. Foulds: He should make a statement, according to the policy of the House.

Mr. Speaker: Order.

Mr. Breaugh: Mr. Speaker, may I raise a related point of privilege? It long has been the tradition of this House, with the budget and other policy matters, that ministers will make a statement here prior to that being released elsewhere.

This letter, to the township of Longlac, was sent from the Attorney General's office on May 21. That is quite a substantial period of time between the minister making a substantial policy statement in which it is clear that the

Attorney General of Ontario now feels the nuclear disarmament question would challenge all the municipal elections this fall—

Hon. Mr. McMurtry: That is not what I said.

Mr. Breaugh: The minister is prepared to argue today—

Mr. Speaker: With all respect, I think we are getting into a debate. Quite clearly, there is an obvious difference of opinion. It is not my responsibility to adjudicate.

Mr. Foulds: Why does the minister not make a statement now?

Mr. Speaker: Order.

2:10 p.m.

EDUCATION AMENDMENT BILL

Mr. Grande: Mr. Speaker, I rise on a point of privilege to correct the record. On Friday, May 28, the Minister of Education (Miss Stephenson) said, and I would like to quote her statement in the introduction of the Municipality of Metropolitan Toronto Amendment Act: "Negotiations will continue to be carried on locally on matters of local concern." She left the impression that some shred of local autonomy would continue.

The Globe and Mail this morning reported a person by the name of William Mitchell, administrative officer of education of the Ministry of Education, as saying that "Metro-wide negotiations would apply only to salaries, benefits and teacher-student ratios. Other areas, working conditions and time off, for example, would be negotiated with the local board."

These statements contradict in a very real way the legislation that was tabled on Friday. I would like to quote the relevant point of the legislation, which says in subsection 130(i)(1)—

Mr. Speaker: Order. With all respect, this is not a point of privilege. Quite obviously, there is a difference in two conflicting pieces of information. I have no way of knowing who is right or who is wrong. I suggest to the honourable member that he ask a question of the minister at the appropriate time.

STATEMENTS BY THE MINISTRY

MUNICIPAL JOB CREATION PROGRAM

Hon. Mr. Bennett: Mr. Speaker, I would like to take this opportunity to provide the members with details about my ministry's municipal job creation program, which is making \$34.5 million available to create jobs on local government projects throughout the province.

This program, which will be of special assistance to municipalities, boards and commissions, will generate 7,500 jobs between now and the end of this year. The program is an element of the province's \$171-million, short-term job creation program announced in the May 13 budget. The Board of Industrial Leadership and Development is responsible for co-ordinating the immediate implementation of this overall program, which is aimed at communities most affected by high unemployment.

Since the main thrust of my ministry's program is to relieve unemployment, the allocation of funds will be made to each municipality in proportion to the number of people receiving social assistance in each jurisdiction. Preference for jobs will be given to people on welfare or unemployment insurance benefits and those registered with local Canada Manpower centres.

Any local government project involving repair or renovation of public property is eligible for job creation grants providing it meets the following conditions:

It must provide additional employment, jobs which would not have existed without this program; the project may already have been scheduled but may be expanded to create additional work and employment as a result of this program; it must employ people other than those regularly on the municipal payroll; the project must be completed by December 31, 1982; the project should not be assisted by other grants.

I would like to point out that the projects may be undertaken by the municipality itself or let out to an independent contractor. Grants made under this program are for labour costs only, and no other costs will be reimbursed. The labour cost incurred as a result of creating additional employment in each municipality will be reimbursed in full up to the amount of each municipality's allocation.

It should also be noted that the wages paid should be at those rates currently prevailing in the community for the type of work involved. Standard benefits usually covered by collective bargaining agreements also will be reimbursed.

I would like to assure the members that the Ministry of Municipal Affairs and Housing is implementing this program immediately so that Ontarians can get back to work as soon as possible. For the members' information, I am sending them a copy of the letter I have sent today to all municipal heads of council along

with the project details and the actual application forms.

NORTHERN EMPLOYMENT INCENTIVES PROGRAM

Hon. Mr. Bernier: Mr. Speaker, I have copies of my statement for the members of the opposition.

My colleague the Minister of Municipal Affairs and Housing has just announced a program of the Board of Industrial Leadership and Development and his ministry to create jobs on local government projects in municipalities throughout the province. I would like to announce today a complementary program in my ministry for northern Ontario's unorganized areas.

The northern employment incentives program for unorganized areas will make available \$500,000 immediately to create jobs on projects in the north's population centres that have no municipal organization. We are inviting non-profit groups, such as community organizations, clubs and local services boards, to come forward with proposals for community improvement projects of a labour-intensive nature.

Labour costs for eligible projects will be reimbursed 100 per cent up to \$7,500. In addition, the Ministry of Northern Affairs will also reimburse 25 per cent of the costs for materials and equipment rentals on projects approved under this special employment incentives program. These funds will come from our unorganized communities assistance fund.

The program will be administered through our 29 local northern affairs offices. There will be no deadline for applications. However, projects approved for funding must be completed by December 31, 1982.

Funding for the northern employment incentive program is provided by BILD and, as my colleague the Minister of Housing and Municipal Affairs has just pointed out, our two programs will create in the area of 7,500 jobs between now and the end of the year.

ORAL QUESTIONS

INCO DISPUTE

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Labour. Can the minister bring this House up to date on the negotiations at Inco, whether there will be a walkout tonight, and what he has been doing through his ministry to try to bring the sides together?

Hon. Mr. Ramsay: Mr. Speaker, of course it is a very serious problem and one that is rather

close to home for me, because, next to Sault Ste. Marie, the city of Sudbury is probably the closest community in affection and in tradition and so on to us in Sault Ste. Marie.

Mr. Foulds: What about Elliot Lake?

Hon. Mr. Ramsay: No, Sudbury is closer than Elliot Lake.

This morning I was in contact with Ms. Judy Erola from the federal government, who is terribly concerned about the situation there, as are all federal and provincial members from the Sudbury area. I also had a meeting this morning with my senior people to make sure everything that could be done to date has been done.

We feel that at the moment we really do not have too many alternatives as far as collective bargaining is concerned. Neither party has requested third-party intervention. I say that with the knowledge that Ms. Erola told me otherwise. We are trying to check on that at this time. We did have phone calls in this morning to representatives of the union to check out whether they were requesting third-party intervention. Our understanding at this time is that they are not. Certainly that is the case as far as the company is concerned.

I can assure the members that we are in constant touch with both parties. We are going to attempt to bring them together just as soon as we possibly can. We are being briefed on an almost hourly basis. The ministry is prepared to do whatever is possible, but at the moment it really boils down to a collective bargaining situation in which the representatives of my ministry were involved right through until the end. They did everything they could at that time, and right now we are waiting for further consultation.

Mr. Peterson: Given that this strike could have devastating repercussions for Sudbury, a community that is just now getting out of the hole because of the strike some two and a half years ago; given that this could be a precedent for a bitter round of negotiations over the next few months; given that the Ontario economy is already in recession and we are experiencing a great number of problems; and given that there is a precedent for ministers or Premiers to intervene in these kinds of strikes, does the minister not feel it is his personal responsibility to intervene and do everything he can to try to prevent a strike occurring tonight?

Hon. Mr. Ramsay: I agree with everything the Leader of the Opposition is saying. I cannot disagree with a word of what he is saying.

Mr. Haggerty: Mr. Speaker, in the event that a strike does occur some time today or tomorrow, has the minister given any consideration to the serious impact this will have on the Canadian economy and on the mining sector of the province, not only in the Sudbury basin but also on the operations of Inco in Port Colborne? Has the minister considered bringing in some form of legislation to give a cooling-off period so that both parties have a chance to take a second look at the direction they are going and time to get back to the bargaining table?

Hon. Mr. Ramsay: Mr. Speaker, no, I have not considered legislation; but I completely agree with the sentiments of the member for Erie as to the seriousness of the situation.

2:20 p.m.

ENERGY RATES

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Energy. I am sure the minister is viewing with some alarm the application of Consumers' Gas for a new facilities charge of some \$18.30 a month regardless of how much gas is consumed.

Given that I gather Consumers' is counting on this new facilities charge to generate about 75 per cent of its profits and given that this new charge will penalize people who are attempting to conserve, does the minister not feel it is his obligation to intervene to prevent this kind of pricing structure from being allowed in this province?

Hon. Mr. Welch: Mr. Speaker, we had a fairly thorough discussion of this during question period on Friday. Hansard will show this question was asked by the member for Welland-Thorold (Mr. Swart), and there was a supplementary by the member for St. Catharines (Mr. Bradley).

Having said that, I would draw the attention of the Leader of the Opposition to that exchange, at which time I suggested it would be improper to intervene at this stage since this is an application now before the Ontario Energy Board. The applicant has completed the details, the hearing has been advertised and interventions have been invited according to the rules of the Ontario Energy Board; so it would be improper to be interfering with that process until such time as the Ontario Energy Board has had an opportunity to review it. That is the practice here with respect to applications of this nature.

Mr. Peterson: The minister's good friend at Union Gas is already doing this; its facilities fee

now has gone from \$4.50 to \$5.40 a month, generating millions of dollars for Union Gas, and has nothing to do with the amount consumed. Given that this will not encourage conservation, does the minister not feel that fundamentally it is the wrong philosophy for energy pricing? Does he not feel he has a responsibility as minister to make sure the public policy goals of his government are achieved through the pricing mechanisms for energy? It is his responsibility to get involved in this thing and not let this happen.

Hon. Mr. Welch: I think it is the responsibility of the Minister of Energy to protect the integrity of the system and to make quite sure that the process being followed is not interfered with from the political organization here. We have a procedure to be followed.

As I said in response to the thoughtful supplementary question raised by the member for St. Catharines, this does not detract from the commitment of this government to conservation. It does not detract from the commitment of this government that one of the routes to crude oil self-sufficiency in this country is substitution of other fuels for oil, of which gas is one. This does not preclude us from making it quite clear that we are still equally committed to the off-oil program sponsored by the government of Canada.

I think at this stage the honourable member will understand we have an application before the Ontario Energy Board. The applicant will make its presentation there and interveners will no doubt make this and other arguments for the consideration of the board.

Mr. Swart: Mr. Speaker, in his answer today and in his answer to the same question I asked on Friday, the Minister of Energy has indicated—and I do not understand the logic—that neither he nor his government should intervene because this is now before the Ontario Energy Board. Does he not realize it is before the board for a hearing and that the government, through the Minister of Consumer and Commercial Relations (Mr. Elgie) or any other minister, has the right to intervene and make representation at that hearing to protect the consumers?

If his ministry or his government is not going to do that, will they at least consider funding some organization, such as the Consumers' Association of Canada, to intervene at that hearing? Then the consumers will have some protection if the government is not prepared to give it.

Hon. Mr. Welch: Mr. Speaker, I am quite satisfied that the points of view expressed by my friend the member for Welland-Thorold and others with respect to this concern will be well articulated before the Ontario Energy Board.

I repeat that to protect the integrity of the system I do not think it would be appropriate for the minister to intervene at this stage.

Mr. Kerrio: Mr. Speaker, the minister talks about integrity in the system, but I wonder whether he is really willing or anxious to change the legislation because, with the integrity that exists, he has been ripping the people off in a monopoly that is unfair. Unconscionable increases have taken place under the system he has described.

I ask the minister, does he not think it is time to change the legislation to protect the consumers in this province from a monopoly that is unconscionably taking advantage of them?

Hon. Mr. Welch: Mr. Speaker, is my friend the member for Niagara Falls asking me whether we are prepared to bring in legislation to disband the Ontario Energy Board?

Mr. Kerrio: If that has to be, yes.

Hon. Mr. Welch: We have no intention of doing that. I really cannot really imagine it, but is that the policy of the official opposition: to get rid of the Ontario Energy Board?

TAX ON NONPROFIT ORGANIZATIONS

Mr. Foulds: Mr. Speaker, I have a question for the Minister of Revenue. Can the minister tell us why his ministry is being so niggardly, mean-spirited and chintzy as to remove the sales tax exemption on food sold by church groups, Royal Canadian Legions, ethnic organizations, church basement banquets, booths at fairs and festivals such as Carousel and Caravan? Does he not think that at least those nonprofit and charitable organizations should be free from the greed and avarice of this government?

Hon. Mr. Ashe: Mr. Speaker, as the honourable member knows, the Ministry of Revenue is administering the budget as brought down by my colleague the Treasurer (Mr. F. S. Miller) on May 13. Although not everyone may agree with any specific part of that budget, I think there is a general conclusion out there now that, overall, it was an excellent budget and will do much to stimulate activity in Ontario. Although it is very difficult for one small province to offset the damage done last November by the federal budget, at least it is a step in the right direction.

Not all parts of the budget have been well

received by all parties; there is no doubt about that at all. Some organizations will be responsible—

Mr. McClellan: Tell us what you really think, George.

Mr. Boudria: You can trust us, George.

Mr. Speaker: Order.

Hon. Mr. Ashe: No doubt there will be organizations and individuals collecting tax on our behalf who had not done so before. However, contrary to what has been implied by members opposite, that tax will not be paid by the organization, whether it be charitable, non-profit or otherwise. It will be a further cost to the consumer. It is true they will have the problem of making collections and returns but, when we get right down to it, most taxpaying groups are not too concerned about the bit of administration they will have to do on our behalf.

Mr. Foulds: May I remind the minister that Ontario is not "one small province," even though it has a small-minded government.

Does the minister not realize that those are his regulations under section 28 and his legislation under section 7 where he has the authority, the responsibility and the ability to exempt these organizations from the tax? Is it not his responsibility as a tax collector to exempt these organizations? What is the minister trying to do, make tax collectors of everybody in the province? Does he not think that this is at least one area where he could exert some charity and exempt the charitable, nonprofit organizations of this province?

Hon. Mr. Ashe: There is no doubt that within our various taxing statutes there is some leeway for interpretation and making of regulations by the minister. There is also no doubt at all that my mandate is primarily to fulfil at least the spirit of the Treasurer's budget, and that is what we are attempting to do.

I know that on the surface it sounds like a real motherhood issue to suggest who should or should not be responsible for the collection of taxes. But let me point out—because I am sure the member has not thought about it—the kind of situation that could occur, whether it be at Fiesta Week in Oshawa, Caravan in Toronto or the upcoming Canadian National Exhibition. Can the member see the hot-dog stand or the hamburger stand operated by a church—the denomination does not matter; that is beside the point—or any other recognized charitable association, with their big sign above it, "Buy here

because you do not pay tax"? But the poor entrepreneurs on either side—

Interjections.

2:30 p.m.

Hon. Mr. Ashe: Oh, no; that is fine. The member obviously has not thought about the straight mechanics. That is exactly the kind of situation being suggested; and how could one possibly say that is fair, it is not.

Mr. Peterson: In the budget documents, the Treasurer estimates this tax on prepared food will generate about \$110 million. Is the Minister of Revenue aware the restaurant association is of a view that it will generate for the treasury probably \$170 million that he has underestimated the impact of that on his revenues? He is aware, of course, a number of senior citizens who rely on prepared meals will have to pay higher taxes at the same time that he has cut their guaranteed annual income supplement payments. How can he justify taking on the one hand—on two hands as he is doing from seniors particularly—when he does have some discretion to move? Surely he should exercise that discretion, particularly when he has underestimated his revenue through this tax.

Hon. Mr. Ashe: Mr. Speaker, I guess one year from now when the Treasurer brings down his budget we will see who is right, the Treasurer in his estimates or the restaurant association; so be it. I think that is really neither here nor there at this time.

As far as the other illusions held by the Leader of the Opposition are concerned, to tie in with that kind of question the suggestion that we have cut Gains payments is really twisting the facts. I will be charitable, as I always am, but he knows that after each April 1 all seniors who have been recipients of Gains payments or the guaranteed income supplement have to file a statement of their previous year's income with the federal government. If their income is higher, potentially their Gains payment could be less; there is no doubt about that. Similarly, if their income is lower, of course their Gains payment, unless it is already at the maximum, will be higher.

If anybody's payment went down recently, and this is the adjustment time of the year, it is because in April, 1982, they declared greater income for 1981 through their statement to the federal government for old age security and guaranteed income supplement. There is no doubt about that.

Mr. Cooke: Mr. Speaker, I wonder if the minister understands that, for example, the first weekend of the Carousel facilities or festival in Windsor will be tax free; the second weekend will be taxable.

Does the minister not understand how valuable these festivals are to their communities? How does he suggest these organizations, which are operated by volunteers, are to attempt to collect this tax? How does he suggest they should go about calculating the tax, collecting it and undertaking all the rest of the complications that are going to result because of this ridiculous, regressive law?

Hon. Mr. Ashe: Mr. Speaker, there is no doubt at all that on June 14, when this portion of the budget is implemented, there will be a change for many businesses. If some happen to be in the middle of a one-week campaign, so be it. That is unfortunate but that is the effective date.

On the other side of the coin, other parts of the budget are being criticized because they were not given a month of lead time. In this particular area of the budget a month's lead time was given, so June 14 is the implementation date.

As far as the administrative details of collecting tax are concerned, I would suggest it will be a bit of a problem for the first few days for any organization that maybe has not handled tax before, but they will get used to it. Those who have looked closely at the legislation will see we are now making it easier for organizations to be able to charge a tax-inclusive price, which they were unable to do before, as long as they post the fact that the tax is in the prices quoted, on the menu or on the marquee or wherever it is they are putting their prices. They must say it includes the seven per cent retail sales tax or, if it is alcoholic beverages, 10 per cent.

They can do it as a tax included price. There is a relatively simple formula they can put to their receipts at the end of the day and be able to transmit their tax collections accordingly. Unless they choose to do so, they will not have to keep a separate item-by-item collection basis of, for example, \$1.50 for food and 11 cents tax. They will not have to do it that way.

WORKMEN'S COMPENSATION

Mr. Foulds: Mr. Speaker, if I had another supplementary question I would ask him if he was going to tax Meals on Wheels next. As I do not, I will ask the Minister of Labour a question.

A Workmen's Compensation Board pensioner

granted an award in 1976 will have lost 23.3 per cent of his income due to inflation by April of this year. In view of this, are we to take it as a matter of government policy that inflation is to be fought on the backs of the disabled workers of this province? If not, can the minister explain why he has not proceeded to introduce legislation which would automatically adjust WCB pensions to take inflation into account?

In particular, can he explain whether he agrees with the recommendations of Paul Weiler in his report of 1980 that there should be an automatic formula to adjust pensions for WCB recipients when Weiler says, "If the government or citizenry of Ontario is not prepared to justify an explicit reduction in the real entitlement of worker's compensation pensioners, to take such a step as a conscious policy, they must not tacitly permit the same result to come about by allowing supposedly impersonal economic forces to take their course?"

Hon. Mr. Ramsay: Mr. Speaker, it is my understanding the last time the benefits were adjusted was at the end of June 1981 and we have not reached that point as yet. It is also my understanding the previous time the benefits were adjusted was some two years prior to that date. The matter of benefits is being constantly reviewed by the WCB and by the Ministry of Labour.

I also have to point out that the Weiler report is scheduled to go before a select committee this summer, at which time many of the factors raised by Mr. Weiler will be discussed and studied at considerable length.

Mr. Foulds: Does the minister not understand that no matter what the select committee or other studies indicate, the people on total permanent disability have lost 23 per cent of the income promised to them when the award was made in 1976? Does he not know that even since the last award the pensioner has lost nine per cent? He should consider that in view of Mr. Weiler's comment about the award that was given in 1981 and all previous so-called catch-up awards.

It is interesting that the Minister of Health (Mr. Grossman) will play catch-up for the doctors but the minister will not play catch-up for the disabled workers of the province. He should consider Mr. Weiler's comment that those pensions and those awards given at the end of the legislative session are "... out of date before the ink is dry on the amending bill."

Does the minister not think it is time he brought in an automatic escalation? Does he not

think it is time he has the guts to say it is government policy to help control inflation by keeping those people down by not increasing their incomes the way it was actually promised when the award was made?

Hon. Mr. Ramsay: Mr. Speaker, there is only one reference there that might upset me a bit and that is the matter of guts, but I will leave that matter and respond to it another time. My answer to the various questions that were asked by the member opposite is that I am aware of the various matters he raised in this House today.

Mr. Wrye: Mr. Speaker, back to the original question: Since it was June 1981 when the benefits were last adjusted, is the minister saying today he now intends within the next 30 days to announce a further upward adjustment in those benefits? Can the minister give us his assurance that, just as the doctors got an upward adjustment that not only kept pace but went ahead of inflation, so will the injured workers?
2:40 p.m.

Hon. Mr. Ramsay: Mr. Speaker, I will only repeat what I said in response to that original question: The matter is under constant review by the WCB and our ministry.

Mr. Di Santo: Mr. Speaker, I think everybody understands he is aware of the situation and that the matter is under review. We are asking why he does not want to make a commitment now that he will introduce legislation before the end of the session that the Workmen's Compensation Act be amended so that the benefits of the injured workers will be increased. Why does he not want to make that commitment?

Hon. Mr. Ramsay: Mr. Speaker, I am not in a position to make any sort of commitment of that nature at this time.

MASSEY-FERGUSON DIVIDENDS

Mr. Nixon: Mr. Speaker, I have a question for the Minister of Industry and Trade having to do with the announcement made by Massey-Ferguson that they are going to forego the regular dividend payable on their preferred shares. Since the government has guaranteed these preferred shares to the extent of \$75 million can the minister report if there has been a call on that guarantee and if he expects there to be one?

Hon. Mr. Walker: Mr. Speaker, to date I do not know if there has been a call. There is a procedure that is followed which requires notifying first of all the trustee, who would then notify the shareholders—there are about 15

different shareholders. The shareholders have a period of days in which to take advantage of the retraction.

Mr. Nixon: Mr. Speaker, the second quarter report of Massey-Ferguson indicates a net loss three times as large as that for the same period a year ago, about the time we entered into this guarantee arrangement. Would the minister not think it is time he and his confrères in Ottawa should avail themselves of the right to enter the board of Massey-Ferguson to protect the interests of the taxpayers?

Hon. Mr. Walker: Mr. Speaker, this is something that will undoubtedly be considered, although at the moment it is fair to say we have no shares of that corporation. I suppose it is conceivable we may not have any shares even several months down the way. I would think that unlikely.

We will probably end up having some preferred shares. The preferred shares, of course, have certain benefits and rights attached to them with respect to cumulativeness and the interest that would be paid on them, and with respect to the ultimate value and priorities they might have.

However, at that point it might be prudent for the federal government, which has a somewhat larger share of any pro rata distribution, and the provincial government, which would have a lesser share, to consider the feasibility of a direct directorship relationship, or at least some kind of relationship greater than is the case today. Now it is merely a monitoring committee relationship.

Mr. Cooke: Mr. Speaker, the minister will remember this party voted against the legislation on Massey because we said the government was taking all the risk and it made more sense to have a direct investment at the time. Now it appears our \$75 million guarantee will result in a direct investment. Can the minister assure us that by participating in that firm there will be a better guarantee of jobs, research and development and the other types of performance guarantees we have talked about? And is he now prepared to admit the position taken by this caucus was in fact the correct one and the position the government should have taken at the time?

Hon. Mr. Walker: Mr. Speaker, I guess I would have to say the position taken by the New

Democratic Party caucus as a whole was nothing short of that of an ostrich at that moment.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Walker: The NDP suggested at the time that we take direct investment and were not satisfied with the position of merely holding out the potential guarantee or potential investment. With regard to its worldwide mandates and worldwide involvement, Massey has met virtually all the conditions that have been set down—indeed, including that of employment.

I want to read to the member for a moment the report of the honourable Herb Gray, who issued a press release. This federal statement was issued from the Department of Industry, Trade and Commerce in Ottawa last Friday, and it says among other things:

"Massey-Ferguson has acted vigorously to restructure its operations and to cope with the serious deterioration in the marketplace that has occurred over the past four years. Massey-Ferguson has rationalized its operations through divestments, plant closures and consolidation of manufacturing operations outside Canada, and has gradually reduced its worldwide employment from 68,000 employees to 39,000 employees, while still maintaining its Canadian employment at more than 6,000. These measures have significantly reduced its overhead and other operating costs.

"Recent months have seen an unexpectedly sharp downturn in world markets which has affected all major farm equipment manufacturers. This has prevented the company from returning to profitability as quickly as anticipated. The decision not to declare a dividend will conserve cash in the company as they undertake the second phase of their restructuring to lower their debt burden. This restructuring is to be carried out entirely in the private sector. The company has met all of its commitment to government."

OPP SERVICES

Mr. Wildman: I have a question for the Solicitor General, Mr. Speaker, if he would take his seat. How does the Solicitor General justify his decision to abandon the municipality of Dubreuilville by closing the one-constable Ontario Provincial Police detachment there in June and servicing that community from Wawa, more than 50 miles away? Is it true that instead of providing protection for OPP officers by setting up two-men detachments at the minimum the

decision has been made to close one-constable detachments, such as the one in Dubreuilville?

Hon. Mr. Taylor: Mr. Speaker, on this matter of the OPP detachment at Dubreuilville, I believe there was a manpower deployment there. To improve service, as the OPP are always trying to do, to the people in the different areas where they are required to perform their policing functions there are going to be larger resources now available at the Wawa detachment. Indeed, there will be four additional officers stationed at Wawa. Some of them will be bilingual, and will be better able to serve the people in that area. There will be also be a storefront operation in Dubreuilville, still maintained by the OPP, and they will be able to serve the residents best by that method.

There is also a large expense going into the provision of a very up-to-date radio communication network. The police today have to cover very large distances, and with this modern police radio network they will be able to serve the people in the area better by working out of Wawa than Dubreuilville.

Mr. Wildman: It is beyond me how the minister can say he is improving service by closing a detachment. Is it true there are only unilingual, English-speaking radio dispatchers in the Wawa detachment? Even if there is a new radio system a community that is over 50 per cent francophone, and most of them are unilingual, would still have to deal in English in contacting the Wawa detachment.

Also, does the minister not realize there are more than 50 miles of very poor roads between Wawa and Dubreuilville? How can he say this is improving service? Is it not another example of the lack of commitment of this government to providing services in this province to the francophone community, as it should be doing?

Hon. Mr. Taylor: I am not aware at present of the language efficiencies of the communication radio operators at either of these places, but I will find that out for the member. Naturally they are at all times trying to improve the communication network and seeking out individuals who are bilingual in those areas where bilingual services have to be provided by this government. I will discover that information for the honourable member and report back.

HYDRO CONTRACTS

Mr. O'Neil: Mr. Speaker, I have a question for the Premier, but, as he is away, I will direct it to the Minister of Energy. It deals with Ontario

Hydro. As the minister is aware, there is considerable concern in the county of Hastings regarding the possible loss of approximately 400 jobs at Madawaska Mines. It is feared this mine will close at the end of June. As this closing relates in part to whether or not the mine will get a contract to supply uranium to Ontario Hydro, could the minister bring this Legislature up to date on what action is being taken by the government to maintain the jobs in this area?

2:50 p.m.

Hon. Mr. Welch: Mr. Speaker, the member for Peterborough-Hastings (Mr. Pollock) brought this matter to my attention some time ago. Indeed, he was responsible for bringing in a delegation from that area to make some representations to government and subsequently to the chairman of the board of directors of Ontario Hydro.

It is my understanding at the moment that Ontario Hydro has invited some proposals for their requirements. Obviously, there have been some responses to that invitation. One of those proposals is from the mine in question. There has been a preliminary review of those, but the board has not, as yet, made a final decision. Indeed, I think the chairman of the board advised the delegation headed by the member for Hastings-Peterborough that they expected to address that matter sometime during the June meeting of the board.

Mr. O'Neil: Time is slipping away very quickly as we start into June tomorrow and the mine might close at the end of June. I wonder if I might ask the minister the date of that meeting and whether there is any hope those jobs will be maintained?

Hon. Mr. Welch: Mr. Speaker, I think it is important to know the source of the problem has been the early cancellation of a contract which the owner of this mine had. Rather than running until the end of this year, it expires at the end of June. As I say, the board will be giving some consideration to this matter at its meeting, which I think is about June 10.

UPGRADING OF RENTAL HOUSING

Mr. Philip: Mr. Speaker, I have a new question for the Minister of Municipal Affairs and Housing (Mr. Bennett) and I hope the Minister of Consumer and Commercial Relations (Mr. Elgie) will pay attention since it also concerns his ministry.

My question concerns the Minister of Housing's recently announced program which calls

for 20-year interest free loans of up to \$7,500 per unit to promote rehabilitation by landlords of private rental accommodation now under rent review. Is the minister aware landlords are now making use of section 128 and regulation 9 of the Residential Tenancies Act to use upgrading or improvements to evict tenants, to raise rents substantially without justification before the rent review board and, indeed, to get out of rent review entirely in some instances? What assurances will the minister give that taxpayers' money will not be used to assist more landlords to exempt themselves from the rent review process?

Hon. Mr. Bennett: Mr. Speaker, upon application by the individual who wishes to do the renovation and upgrading he will very clearly indicate his intentions, how he is to use the money and the category in which the rents will then be established after the renovation is completed.

Mr. Philip: Is the minister saying he will have the landlord sign a legal waiver, then, of his rights under section 128 of the Residential Tenancies Act and regulation 9 of that act? What monitoring is he going to have so that landlords will not be using this public funding to get out of rent review?

Hon. Mr. Bennett: Mr. Speaker, we will be indicating the allocation of the funds very clearly in the application form. I hope members realize the \$7,500 will not likely cover all the renovations and upgrading that will be required in some structures. I am sure that is obvious to most around this House. The fact is the individual owner will have a cash flow position in it, as will as the government of the province, with a repayment at a time in the future.

As we did with the Ontario rental construction loan program, we will establish the in-rent at the completion of the renovation. Exactly as we did in the ORCL program where we established the in-rent, the balance of the operation will be monitored on an annual basis. But we do not intend to get involved on a continuing basis in trying to regulate the rents in those structures.

Mr. Epp: Mr. Speaker, has the minister put a limit on the amount of money he is going to subscribe to this program? If it is all used up is he prepared to put additional funds into it?

Hon. Mr. Bennett: Mr. Speaker, we have put a limit of about \$9 million on it but the program has a degree of flexibility. If there is a greater take-up in the program than we originally

projected, as the Treasurer (Mr. F. S. Miller) said back about May 14 if further funding is required to expand that program or any of the other housing programs we have been involved in under the recent announcement on Challenge 2000, then the funds will be allocated for that.

TAX BURDEN

Mr. McKessock: Mr. Speaker, I have a question of the Treasurer (Mr. F. S. Miller) or whoever wants to answer for him. Probably nobody does.

Mr. Speaker: I think the member will have to direct his question to a particular minister.

Mr. McKessock: Since no one has jumped up to answer for the Treasurer I will ask the Deputy Premier. I want to appeal to him, as one reasonable man to another, to drop the sales tax on school cafeterias, amateur athletic association booths, church and community centre associations. I wonder if he realizes what this sales tax is doing to them.

For example, in a school in my area, Grey Highlands Secondary School in Flesherton, which has 1,000 students, there are about 600 who go through the cafeteria line in two 40-minute periods a day, or about 300 people in 30 minutes. The cashiers can tell at a glance how much the tray is worth. Now that they are going to have to stop and figure out the seven per cent it is really going to tie up that line. They are going to have to double the lunch period in order to get through. Also, if the Treasurer goes through with this, the school will have to buy new cash registers, at \$1,000 apiece, to figure out and record the tax.

Would the Treasurer therefore consider dropping the sales tax on school cafeterias and amateur athletic associations?

Hon. Mr. Welch: Mr. Speaker, the Treasurer has not communicated to me that he has plans to make any changes in the statement he made in the House.

As I was listening to an answer given earlier to a question directed by the deputy leader of the third party to the Minister of Revenue (Mr. Ashe) it seemed to me I heard the minister indicate there was some practical way to overcome some of the difficulties to which the member made reference. This was by posting the prices with tax included in order to avoid a second calculation. The member may wish to review the answer which the Minister of Revenue gave to the member for Port Arthur (Mr.

Foulds) dealing with the practical application of that matter.

Mr. McKessock: Does the minister mean adding another 25 or 50 cents so that it is easier to calculate?

It seems to me the minister is going all out to disturb volunteers. It is awfully hard to get volunteers at a ball game. Now that they are going to have to figure the tax and remit it, it is going to make it that much tougher.

What about church and community associations which put on a supper for \$7, where most of the food is donated by volunteers? How is one going to figure out how much is taxable and how much is not?

Hon. Mr. Welch: Mr. Speaker, I think the Minister of Revenue also handled that question earlier in the question period.

The government is well aware of the tremendous contribution which thousands of volunteers make in this jurisdiction. It is because of that type of involvement that those people will understand the commitments that are made for the ongoing programs of government require certain resources. The Premier (Mr. Davis) expanded on those needs in his answers to questions on Thursday and Friday of last week.

FRANCO-ONTARIAN SCHOOL TRUSTEES

Mr. Cassidy: Monsieur le président, j'ai une question à poser au ministre de l'Éducation. I have a question of the Minister of Education, Mr. Speaker, with respect to the report of the Joint Committee on the Governance of French-Language Elementary and Secondary Schools which was tabled in the House a few days ago.

Since this report calls for electoral changes that include allowing Franco-Ontarians to elect their own trustees in school boards across Ontario, could the minister say what portions of the report the government intends to see implemented in time for this fall's municipal elections? What are the specific plans of the ministry with respect to changes in the school boards in Ottawa-Carleton affecting Franco-Ontarians?

Hon. Miss Stephenson: Mr. Speaker, the report has been widely distributed. After there has been response to it, in due course, when the decisions have been made about those changes which must be implemented, the member will be informed.

3 p.m.

Mr. Cassidy: Since this session will go on only until late June or early July, is it the minister's intention that the necessary legislation which

would affect the municipal elections will be brought forward, or does the government intend to let the question of more adequate representation of Franco-Ontarians in the school systems of the province slide for another three years?

If that is the minister's intention, will she at least undertake to accept the recommendations for strengthening the Languages of Instruction Commission of Ontario which are contained in the report?

Hon. Miss Stephenson: The answer to the middle question is no, and the answer to the final question is that we are awaiting the informed responses of those who have had an opportunity to read this report.

Mr. Boudria: Mr. Speaker, regardless of what part of the report is adopted, will the minister acknowledge to this House that this report is only one step to the ultimate goal we hope to have as a francophone community, which is French-language school boards for this province?

Hon. Miss Stephenson: Mr. Speaker, I believe the committee that drafted the report made that clear.

HYDRO EXPANSION

Mr. Kerrio: Mr. Speaker, I have a question for the Minister of Energy. Will the minister confirm that Ontario Hydro's grandiose expansion program calls for the construction of a new post-Darlington 3,400 megawatt nuclear station which Ontario Hydro identified in its submission to the National Energy Board on the General Public Utilities export application as E-15, and which is scheduled to come on stream between 1993 and 1997?

Is Ontario Hydro's commitment of \$1.5 million to studies on the construction of this plant being carried out under the direction of the government? What area of the province is being investigated for this purpose?

Hon. Mr. Welch: Mr. Speaker, the short answer to the question is that there is no plan to go beyond Darlington at the moment.

Mr. Kerrio: Ontario Hydro's commitment of \$1.5 million to studies is a real commitment. I wonder where it is going to direct that commitment if it is not for the purpose of studying expansion in the nuclear field.

Hon. Mr. Welch: If the member will re-examine his question, he asked me to confirm if there were plans to build beyond Darlington and I say there are no plans to build beyond Darlington. If the member is now asking whether

there are certain investigations with respect to what possible options there may be to meet future demand requirements, I think the member and most of us would be encouraged to know that type of consideration is being done.

Mr. Kerrio: For export?

Hon. Mr. Welch: I am answering the member's question quite straightforwardly. There are at the moment no committed plans beyond Darlington.

Mr. MacDonald: Mr. Speaker, since the government has indicated at least an open-mindedness on the proposition of building nuclear plants dedicated to export, is it possible the study of another plant is for that purpose?

Hon. Mr. Welch: Mr. Speaker, as the member will know, there has been no government policy statement with respect to the construction of a nuclear plant dedicated to export. In giving some thought to future plans, I suppose the whole question of export would be part of any consideration, but I repeat, there is no commitment with respect to a plant dedicated to export and there is no commitment at the moment to build beyond Darlington.

ENERGY FROM WASTE PROJECT

Mr. MacDonald: Mr. Speaker, I have a question for the Minister of Energy. We have to keep him busy today. The minister will be aware that the government, and perhaps he himself, has received a request from the city of Toronto for support of the idea of building a refuse-burning plant on the Hearn site. Since this proposal falls four-square within the government policy of energy from waste and will assist Toronto in building its provision of steam energy in the central part of the city, what is the reason for the delay on the part of the government in responding to this request?

Hon. Mr. Welch: Mr. Speaker, in all fairness, the request has gone to Hydro. I think the city directed some communication to Hydro about May 12, if my memory serves me correctly. It is now waiting to hear from Hydro.

As the member will know, there is a tremendous commitment here with respect to the possibilities of the utilization of the proper technology to extract energy from waste. The city of Toronto has some plans with respect to combining the necessity of dealing with waste and providing some steam for the Toronto district heating system. It is my understanding they were even giving serious consideration to

proceeding with that project at their own location.

At some time during those negotiations there was some suggestion of a cogeneration possibility, as the member has correctly pointed out, at the Hydro site for both steam and electricity purposes. The Toronto civic officials have asked Hydro now for some final determination as to whether or not Hydro is seriously considering that project. It is my understanding they have been assured by the chairman of Hydro that they will be hearing from Hydro before too long.

Mr. MacDonald: I think I am correct in my assertion that the government has received a request from the city of Toronto—I know I am correct because I got it from the chairman of Hydro himself—and that they are awaiting a policy direction from the government. Who is stalling? What is happening when the buck is being passed here?

Hon. Mr. Welch: I appreciate this opportunity for clarification. I certainly was not attempting to create the impression that we were shifting responsibility. It is my understanding there had been some correspondence, and I have received some correspondence as well, but what the city of Toronto is asking for is a response from Hydro as to its interest in the development of this particular facility at the Hearn plant.

OMISSION FROM ROAD MAP

Mr. J. A. Reed: Mr. Speaker, I have a question for my constituent, the Minister of Transportation and Communications.

Today, 7,100 citizens of the town of Acton have been insulted by the deliberate obliteration of the name of the town of Acton from this new province of Ontario road map which is scheduled for release at the end of June of this year.

I wonder if the minister can provide some sort of adequate explanation to those citizens as to why this town has been deliberately left off the map and will he take steps to have this map corrected before it is released?

Hon. Mr. Snow: Mr. Speaker, there is a number of inaccuracies in the honourable member's statement. First, I believe the map has already been released. I do not think there is anything about it being—

Mr. J. A. Reed: That information came from your office.

Hon. Mr. Snow: I listened to the honourable member. Will he have the courtesy to listen to me now?

Mr. J. A. Reed: Yes, I will.

Hon. Mr. Snow: To my knowledge, I believe the map has been released. It is the new map that is prepared and updated every year or two years. There was certainly no deliberate attempt to delete the community of Acton from the map. A very large number of smaller communities are not shown on the large-scale section of the map in the Golden Horseshoe area, which has a separate section of the map and which very explicitly shows the community of Acton.

I personally believe that a community the size of Acton should have been shown on the main map as well. I can assure the member that I will be discussing that with my staff. It was brought to my attention earlier this morning.

I am not going to throw out all the maps and reprint new ones. We have made mistakes in the past and we will correct them.

I remember, when I used to represent that great section of Halton, the small municipality of Glen Williams was removed from the map at that time. I know I initiated discussions with the former Minister of Highways who had Glen Williams put back on the map. We shall do the same for Acton.

Mr. J. A. Reed: The minister is then obviously not aware that his own ministry gave me that misinformation about the releasing of the map. It came from his own office.

I wonder if the minister is also aware the information his ministry is giving to the press is that the name was deliberately left off the map. The minister suggests that the names of a number of small communities have been deleted. This is a town of 7,100 people who have tried very hard to promote their town, they promote it in the press; and when people want to come to the town of Acton or look for it on a map if they are driving out there on a Sunday afternoon, they cannot even find it on this road map.

3:10 p.m.

Is the minister not also aware that on this blowup where he says the town of Acton is shown it is actually shown as a community the same size as places like Stewarttown, Glen Williams, Ballinafad and Norval, communities of 100 or 200 inhabitants? In fact, this is a town of 7,200 with its own identity. Will the minister at least have the new maps, the reprints, corrected?

Hon. Mr. Snow: Mr. Speaker, I really do not think that deserves an answer. I have already answered it. I said the correction will be made at the next printing of the map. The honourable member did not have to go on and repeat everything he said before.

Technically I may disagree with some of my staff. They have a very technical reason: that the community of Acton is not a separate registered community any more, as I am sure the member knows. Regardless of that fact, the community of Acton is very well signed on the highways. On Highway 401, for instance, there are large signs showing Halton Hills, Georgetown and Acton. If one looks at the back of the map, as the member has probably never done, one will find that in the index it does show the location of the community of Acton. There is no attempt to miss the great town of Acton, which I know so well.

GASOLINE CREDIT CARD CHARGE

Mr. Swart: Mr. Speaker, my question is to the Minister of Consumer and Commercial Relations. The minister is aware, I am sure, that it is more than 18 months since Shell Canada and Texaco started assessing a one per cent penalty against gas retailers for gasoline paid for by credit card scrip. Of course, this transferred costs from the giant oil companies to service station operators and from them on to the consumers.

I am sure the minister is also aware that his predecessor, who sits on his left and is not with us today, the Minister of Community and Social Services (Mr. Drea), blustered in his usual fashion and said he asked these oil companies "in the strongest possible terms" to rescind that charge. Of course, nothing has been done since then, and now Shell is proposing to raise that charge of one per cent to two per cent.

I understand that the minister is meeting with the Ontario Retail Gasoline Association in about two weeks. Is he going to tell them at that meeting that he will protect the retailers and consumers by legislating against such charges?

Hon. Mr. Elgie: Mr. Speaker, first of all, if I may comment on the member's remark about one of the previous ministers—he referred to his blustering habits—I like to feel that the minister usually tried to behave in a manner that matched the question.

Interjections.

Mr. Speaker: Order.

Interjections.

Hon. Mr. Elgie: Oh, you want a point of order? Excuse me, Mr. Speaker. I thought one of the members opposite had a point of privilege to raise.

As the member for Welland-Thorold knows quite well, the ministry has held several mediation meetings between the retailers and the companies; he also knows very well that the legislation does not give us any legislative power to effect any changes; and he also knows that the Texaco dealers, who are involved in a similar controversy at the moment, currently have a court action going against Texaco.

He also clearly knows that at the request of the retailers I have agreed to meet with them to discuss their problem. What the outcome of that meeting will be I certainly cannot foretell, but I know that with his crystal ball the honourable member may be able to. I will carry on with that meeting and hear their views.

Mr. Swart: Does the minister not realize first of all that the court action in Windsor has nothing to do with this case? It has to do with agreements that had been signed previously and does not apply to the charges to most service station operators.

Does the minister not realize that in the United States this charge has increased from one to two to three to four per cent? That poor little company Exxon is charging three per cent; Amoco is charging four per cent; and legislation has been introduced in Michigan to deal with this matter and prohibit these charges. Why does the minister not show some leadership and do the same thing for the service station operators in this province?

Hon. Mr. Elgie: Mr. Speaker, I will be meeting with the organization in two weeks to hear its views on these issues.

NIAGARA NURSES' DISPUTE

Mr. Bradley: Mr. Speaker, I have a question for the Minister of Labour in regard to the strike of the public health nurses in Niagara. At this point, the minister will recognize that the strike has been on for a few weeks, that the residents of the Niagara Peninsula have been deprived of services which, while they are not classified as being of an emergency or acute nature, are certainly very valuable preventive health care services.

In view of the fact that there appears to be a definite impasse, is the minister prepared to intervene personally, or to have the very highest ranking civil service personnel within his ministry intervene, to bring the two sides together

and end a strike that neither side wishes to have go on and that is certainly adversely affecting the public in our area of the province?

Hon. Mr. Ramsay: Mr. Speaker, the honourable member is bringing up a subject he brought to my attention a short while ago in the form of a letter. After receiving that letter I did discuss the matter with ministry officials, and I hope we will be taking appropriate steps shortly.

REPORT

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Treleaven from the standing committee on administration of justice reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Correctional Services be granted to Her Majesty for the fiscal year ending March 31, 1983:

Ministry administration program, \$8,376,600; institutional program, \$142,793,500; and community program, \$33,486,200.

INTRODUCTION OF BILL

GAS CREDIT CARD PAYMENTS ACT

Mr. Swart moved, seconded by Mr. Philip, first reading of Bill 128, An Act respecting Gas Credit Card Payments to Dealers.

Motion agreed to.

Mr. Swart: Mr. Speaker, under this bill, producers, importers or refiners of petroleum products, or other persons who sell petroleum products at wholesale and issue credit cards to the public, will be prevented from making a charge or levying a discount against dealers because payment or part payment is made by credit card scrip.

NOTICE OF DISSATISFACTION

Mr. Di Santo: Mr. Speaker, pursuant to standing order 28(a), I would like to file dissatisfaction with the answer given to me by the Minister of Labour (Mr. Ramsay), and I would like to debate it tomorrow night.

3:20 p.m.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS (continued)

On vote 701, ministry administration program; item 1, main office.

Mr. Stokes: Mr. Chairman, when we dealt with these estimates last Friday, I was talking about problems that confront our first citizens in northern Ontario in particular and the kind of response that I think should be forthcoming from the Ministry of Northern Affairs in dealing with those problems. I was about to talk about the moratorium on the exploitation of wild rice, which is a very important resource for providing an economic base for our native people in northern Ontario.

A number of questions have been asked of the Minister of Natural Resources (Mr. Pope) concerning this moratorium. It affects first citizens in northwestern Ontario in particular and in the Treaty 3 area. I know that the Minister of Northern Affairs (Mr. Bernier) has been involved in this very sensitive and very important question for a number of years and was even more so, I suppose, when he had the responsibilities of the Minister of Natural Resources. I am sure that the minister, along with other colleagues, has been getting a series of questions from concerned and well-meaning citizens, not only from northern Ontario, not only from our native representatives but also from concerned citizens here in Metropolitan Toronto.

I want to quote from a letter that went to the Minister of Natural Resources with copies to the Minister of Northern Affairs and to the Provincial Secretary for Resources Development (Mr. Henderson) and other elected members. I want to put it into the record just so that members of the committee will be aware of how important and how sensitive this issue is. The letter reads:

"Dear Mr. Minister: In December 1981 I wrote to you about this question as a member of the Ten Days Toronto East, a group which is concerned about the role of native people in the development of Ontario's wild rice industry. Now that a cabinet decision is imminent I am writing to ask again that you extend the five-year moratorium on granting licences to non-natives, which expires at the end of this growing season.

"Since this group was formed early in 1981, we have been in close contact with Indian leaders in the Treaty 3 area. Chief Peter Kelly and the present chief of Treaty 3's grand council, John Kelly, have urged us to do all we can to make known to people in our community the hopes that native people have for the wild rice industry and their fears that these will remain unrealized. I write, therefore, not as a southerner prescribing solutions for northerners

but rather as a friend of Treaty 3 Indians, whose aspirations I support.

"The five-year moratorium has not given the Indians sufficient time to establish a viable industry, with integrated harvesting, processing and marketing branches, which could be the economic backbone of native communities; or even to see if such a goal is possible.

"Limited progress in advancing the native wild rice industry is not due to the Indians' lack of initiative or inefficiency. Rather, technological and financial assistance promised by the province has been minimal. Water levels in rice areas are still damaging crops because the Lake of the Woods water control board is far more interested in meeting the needs of powerful interest groups such as Manitoba Hydro and the tourist industry than in those of the wild rice industry. Specific requests for access to mechanical harvesters or money to buy seed rice have gone unheeded. Yields have, therefore, been unstable from one year to the next. Thus, it remains uneconomic to build the proposed native-owned processing plant, a step which would greatly increase the crop's value for Indians.

"You stressed in your letter of January 14, 1982, that as Minister of Natural Resources it is your duty to manage these resources to the benefit of all the people of Ontario. I believe, however, that Indians are entitled to special considerations with respect to this particular natural resource. Treaty 3 holds what they believe is the original version of that 1873 Treaty 3, the Paypom Document, which clearly states that 'the Indians shall be free as by the past, for the hunting, fishing and ricing.' Although the province's official published version of the treaty is less specific about ricing rights, I believe that the Paypom document is authentic and that it is our duty as a country to honour treaty rights made with our native people.

"Surely we can afford to do so! Wild rice is not a billion-dollar resource involving vast tracts of land. Wild rice has great cultural and religious significance for the Indians; it could be the basis of the best possible kind of economic development in native communities. With other traditional occupations, such as fishing and trapping, greatly reduced, the native wild rice industry remains perhaps the last hope for many Indians in the Treaty 3 area to get off welfare and into the mainstream economically. I am convinced that using the natural resources of wild rice to improve economic and social conditions in native communities is in my best

interests as well as those of the Indians. As a citizen of Ontario I would be delighted to see this resource developed to the Indians' advantage.

"When the cabinet meets to decide what might be gained by extending the moratorium, I trust that this view will be considered fully. This decision will determine how Ontario's wild rice industry will evolve, and I remain hopeful that the province will treat our native people with honesty and justice.

"Your continued consideration of this question is much appreciated."

The letter is signed by Helen Whidden of 31 Arundel Avenue in Toronto.

The minister is well aware of the sensitivity of this problem, and I know that he has a friend who is in this business in Keewatin and who makes a very fine product, one that I continue to tout.

For anybody who wants to listen to me down here in southern Ontario, the wild rice product that Mr. Ratuski processes and markets is second to none anywhere in the world. As a matter of fact, the Americans keep blending it with their cultured rice and can be accused, I think, of misrepresentation. They mix it with their inferior quality and mark it, "genuine Canadian wild rice, native variety," or something like that.

I understand two companies in the United States, for all practical purposes, have corralled the wild rice market and have a stranglehold on it. I urge the minister to heed the advice of many people who have made representations to him and to me that we maximize the benefit of the wild rice industry for people in northern Ontario and, in particular, for native people.

I know this is something he has been grappling with for a number of years and, for whatever reasons, our first citizens, particularly in the Treaty 3 area, have not been able to maximize to its full potential that which might evolve from the orderly exploitation of our wild rice resources. I hope the minister will take that into account in his responsibilities as the Minister of Northern Affairs.

3:30 p.m.

Just to get something else out of the way, I listened with a great deal of interest to the statement made this afternoon by the Minister of Northern Affairs on northern employment incentives for people in unorganized areas; of course, this \$500,000 under the isolated communities assistance fund is something that we welcome.

I hope the minister perhaps will be able to

elaborate when he is responding to these opening remarks and tell us the criteria for eligibility for a lot of these community-oriented organizations, clubs and local service boards to come forward with proposals. I would like to know what kind of criteria will be used and what kind of programs will be required to qualify for this. I hope the minister will elaborate if he is able to do so at this time.

I am sorry that the Provincial Secretary for Social Development (Mrs. Birch) is not here, because I want to follow up on some remarks I made about the Social Development policy field.

There are two or three very specific kinds of problems I want to raise with the Minister of Northern Affairs, because he has made statements recently to the media in northern Ontario indicating that he now thinks this ministry has matured enough and had a sense of what the Ministry of Northern Affairs should be so that he will get into the Social Development policy field in a very meaningful and much more effective way than has been the case in the past.

The minister has been very active in setting up the northern air ambulance service. That was done under the auspices of his ministry in conjunction with the Ministry of Health, and it is working reasonably well. I am sure that if the minister and his minions talk to Dr. Dyer, who has responsibility for administering that program on behalf of the Ministry of Health, he will tell them there are still several bugs to be ironed out of the system and it should be broadened specifically to meet the special and unique needs of the client group from northern Ontario.

I want to quote from a letter that I wrote to Dr. Dyer. It is too early for me to have received a response yet, because it was just sent out on May 26. It is quite current. I am sure that it is symptomatic of the problems facing families in northern Ontario with special and unique needs for services that are not available in northern Ontario. Let me quote from the letter that I wrote to Dr. Dyer, which explains precisely what I am talking about. I said I was writing on behalf of a family in Longlac. I will not give the name.

"Their seven-year-old son . . . is a victim of papilloma. He suffers from recurring polyps growing in his throat. He previously had the polyps removed in Thunder Bay until he was eventually referred to Dr. Fearon, at the sick children's hospital in Toronto, who removed the polyps with a laser system.

"However, previous operations have left severe scar tissue, and this seven-year-old patient has undergone a tracheotomy on March 14, 1982. He must return to sick children's hospital June 6, hopefully for removal of the tubes.

"This child on previous occasions has been rushed by air ambulance to a hospital as an emergency patient. However, if the child is not choking he must travel by normal transportation. The air fare is \$442 return to Thunder Bay as this patient cannot travel by himself and his mother must accompany him. He cannot travel on this occasion by train as the trip is somewhat long—18 hours approximately—and it would be virtually impossible with the tracheotomy equipment.

"The tracheotomy equipment costs \$40 a month to rent, along with extra costs for suction tubes. As well, this family have a mortgage on their home for which they pay \$350 a month plus another \$200 for upkeep, such as heat, light and telephone. You can well imagine that the heating and hydro costs are exorbitant during winter months in northwestern Ontario.

"Were this family living closer to Toronto, it would not be such a travesty. However, the expenses involved are creating a real hardship financially as the father is unemployed, along with most others in the woods industry.

"This young patient has required attention by a specialist every two months since 1981.

"I hope you and your policy advisers will give special attention to the plight of this family who through no fault of their own have encountered this health problem and who are not responsible for these bad economic times."

This case runs parallel with another one, in Terrace Bay, which I brought to Dr. Dyer's attention more than a year ago.

"This situation is compounded by a very unfortunate quirk of the administration of the food and drug directorate in Ottawa, as Dr. Fearon is not allowed to use a medication he strongly believes would alleviate the recurrence of the polyps." A service club in Geraldton has made a small financial contribution to assist. However, there is nothing that is going to assist the family to have the child return to the Hospital for Sick Children on June 6.

I am asking Dr. Dyer to see whether he cannot prevail upon the Minister of Health (Mr. Grossman) to accept that where the service is not available in a person's home community or in any of the major centres, including Thunder Bay, and the person has to travel at considerable expense all the way down to Toronto, particu-

larly to the Hospital for Sick Children, that charge should be a legitimate charge against the Ontario health insurance plan and the delivery of a proper health system to people in northern Ontario.

I am sure the minister can trot out a lot of his own cases where residents of northern Ontario, who pay the same OHIP premiums as anybody else in the province, are subjected to these very expensive charges just so their children and members of their families in general can get the proper treatment. We take it for granted down here in southern Ontario, where most of the population is in this heavily urbanized society we are in, that they can get that treatment. But, as the minister well knows, the Ministry of Health says the only way in which a family can have those charges paid through the OHIP system is if a person is in a hospital in the north and is transferred directly from a hospital in the north to a hospital down here; otherwise, it is not a legitimate charge.

3:40 p.m.

In talking to a lot of the doctors who know of the financial plight of many people in similar circumstances, one finds that the temptation is very great for a doctor in northern Ontario to say, "I know you cannot afford the service; so what we will do is take your child away from home care and admit him to a hospital. As soon as you have done that, then you order an ambulance and fly the child to Toronto." If one is transferring a child from a northern hospital to a southern hospital, it is a legitimate charge against OHIP and the ambulance system; but if he is not hospitalized in the north, it is the responsibility of the individual family. It is working a particular hardship.

I have another health-related matter that I want to bring to the minister's attention. It has to do with the inadequacy of the health delivery system, even in the city of Thunder Bay.

I will not mention any names, but I want to quote from a doctor, a specialist in Thunder Bay. I heard that a constituent of mine was going to have to be hospitalized in Thunder Bay, occupying an active treatment bed at a rate in the neighbourhood of \$200 a day. It was a legitimate charge against OHIP, because of the inability of hospitals in Thunder Bay to program the surgery within a reasonable length of time. The individual, who was having severe problems with arthritis, is awaiting hip replacement surgery. She is second on the doctor's urgent list.

Dr. Hamilton has a standing offer with the

Port Arthur General Hospital that he will cancel an office visit at any time to do one of these urgent hip operations. Until my intervention, she was scheduled to stay in an active treatment bed in St. Joseph's General Hospital in Thunder Bay until she could be referred, for this urgent surgery, to the Port Arthur General Hospital. Does the minister know the charge against the OHIP system for keeping somebody in an active treatment bed for up to three months?

Apparently, they could not release her. They transferred her back to the Terrace Bay hospital. I visited the hospital this weekend and was told that, all things being equal, they were going to be able to reschedule her from August 5 to some time next week, unless something more urgent comes up in the interim.

I said to the doctor at the hospital, "Does it not make more sense for you to spend some of your funds so that you can pay the anaesthetist and the specialist and you can have sufficient operating theatres to do that work rather than hospitalize somebody for three months?" He said: "That is the nature of the system. If we just hospitalize somebody for a period of three months it is a legitimate charge against OHIP, and that does not cost us anything in financial terms. But if we have to pay somebody, such as an anaesthetist, to come in at seven o'clock at night, and we have to have operating staff during off hours, that comes out of the hospital budget, and you know the nature of hospital budgets these days."

I said, "That does not make any sense at all." There are ample funds for funding active treatment beds, but if one wants to give emergency surgery to somebody, unless he is at death's door, they just leave them languishing in an active treatment bed at a cost of up to \$200 a day.

I said to this doctor that this was just an intolerable situation and, as an elected member, I thought I had a responsibility to bring this to the attention of people in the Ministry of Health; so I asked him to write me a letter. I have a quote from that letter from this excellent and dedicated specialist. I will not read it all.

He said: "I would also emphasize that the delay in her hip surgery has nothing to do with the recent, periodic cancellations of elective surgery with regard to the fee negotiations between the Ontario Medical Association and the Ontario government. Dr. Hamilton's bookings were already in this range. Equally, you can be assured that no one with this degree of

problems would have been cancelled in this situation in any event.

"Our primary difficulty at the moment is our lack of anaesthetists. Accordingly, it is difficult to run as many operating rooms as we would like. Attempts were made several months ago to stretch out the operating room day to accommodate cases"—such as this one—"which were very urgent but certainly not emergencies. This resulted in increasingly long hours for the operating room staff and a number of resignations ultimately. Of course, there is a significant burden to the hospital when they call in full operating room staff for this type of surgery in terms of overtime costs.

"While it seems ironic that much more money will be spent ultimately by this patient being hospitalized until the surgery can be booked, the cost of the bed is already covered by any hospital's global budget. On the other hand, overtime costs that are incurred by off-time booking of the operating room are unforeseen costs which end in hospital deficits."

Does the minister see what I mean? Just because of the formula that has been arrived at for reimbursing hospitals, it is costing us in many cases two or three times as much as to spend a little money on overtime and staffing of operating theatres. There is no money for that, but somebody can be kept in an active treatment bed for literally two or three months because that is a legitimate charge.

I do not know what the good doctor, the Minister of Education (Miss Stephenson), is saying. Maybe she agrees that there has to be a better way of doing it.

Hon. Miss Stephenson: The hospital can do it if it wishes to.

Mr. Stokes: That is right—if the government would just be a little more flexible.

Hon. Miss Stephenson: It is not us, it is the hospital that has to be more flexible.

Mr. Martel: Why are you always picking on the hospitals?

Mr. Stokes: It is not the hospital. Here is what the doctor suggests—

Hon. Miss Stephenson: Is the doctor the administrator of the hospital? Is he the chief of the services?

Mr. Stokes: No.

Hon. Miss Stephenson: Then I suggest he doesn't know.

Mr. Stokes: I know that he talked to the administrator of the hospital because when I

heard they were keeping this patient in an active treatment bed waiting for elective surgery that was scheduled for August 5 or 6, I said, "This is absolutely ludicrous." I phoned the hospital administrator and said: "Tell me why you are doing this. Why does it have to be that way?"

He said, "Let me talk to the doctor, and either I will get back to you or the doctor will get back to you." So the doctor got back to me.

Hon. Miss Stephenson: There is no reason for them doing it that way—certainly not the reasons advanced.

Mr. Stokes: Would the Minister of Education like to tell me? I will yield the floor and she can tell me how we can do it.

Mr. Chairman: You got into this. You might as well get out of it.

Hon. Miss Stephenson: These are not my estimates.

Mr. Chairman: Then why don't you be quiet?

Mr. Stokes: No. We let you babble on for 15 minutes.

Mr. Chairman: That is right. Absolutely.

3:50 p.m.

Mr. Stokes: If the good doctor has something to add to this—

Mr. Breaugh: If she has a quick fix to this let's hear it.

Hon. Miss Stephenson: The administrator only has to talk to the appropriate branch of the Ministry of Health, and they can get it sorted out.

Mr. Stokes: They have been trying, believe me.

Does the minister know Sister Winnifred, the administrator of St. Joseph's Hospital? She is no novice. She probably knows more about administering hospitals than the minister or I will ever know.

Hon. Miss Stephenson: Oh yes, much more than I do.

Mr. Stokes: Okay. Here is what the doctor said:

"Studied cutbacks in specialists' training on the part of the government are self-defeating in so far as northern Ontario is concerned. We already have difficulty attracting specialists and we will have even more difficulty if the numbers being trained are cut back. This obviously applies to areas such as anaesthesia.

"There are always going to be a limited number of physicians who are willing to go into northern Ontario since we are, in general, an

increasingly urban country and Canadians tend to live more predominantly in the southern parts of the country which are more urbanized. Many provinces in Canada have northern areas equivalent to northern Ontario and we are in competition to attract these doctors. All the other things being equal, if Ontario continues to fall behind in its fee schedule for physicians, we are going to be at an increasing disadvantage. While I recognize that the recent settlement with the Ontario government has improved the situation, we must look to keeping this funding at an equivalent level with other provinces.

"If the present trend towards diminishing amounts of our gross national product—or gross provincial product—being devoted to health care continues, we are increasingly going to have inadequate facilities. Equally, physicians are attracted to areas where they feel they have the equipment to do the work and this will also cause us to be unable to attract manpower.

"Of course, should we get adequate medical manpower, the hospitals are obviously going to have to have funding to run the backup services required. In other words, no matter how many anaesthetists we have, if the hospital reaches the limit of its global budget and cannot hire more nurses and open more operating rooms, we are going to be no further ahead. Equally, if no beds are available in which to put the patients, even if the operating room space is available, we are no further ahead.

"Finally, with particular reference to Thunder Bay, the fragmentation of care among three different hospitals has not permitted us to build medical services in the way we should. The recommendation by a recent hospital role study, and endorsed by the Thunder Bay Medical Society, that a new single, acute therapy hospital should be built for this city, would certainly answer many of the difficulties."

I am not an expert in the delivery of health services, but I know that when a constituent of mine has to wait in an active treatment bed for three months for emergency surgery, there is obviously something wrong.

I want to get into another area of the health delivery system. The only reason I am going on at length about this is that I know the minister and the ministry have accepted responsibility in the social policy field, through his mandate as facilitator and co-ordinator to bring to the attention of other line ministries this need. In many instances, other than my doing it using this vehicle, I think we absolutely have to have a co-ordinating presence in northern Ontario.

I want to raise another problem, in the dental health field. This is a letter I received from a Catholic priest who is responsible for the communities of Armstrong, Gull Bay and Savant Lake. It is addressed to the district manager of the Department of Indian Affairs and Northern Development in Thunder Bay and reads as follows:

"Dear Mr. Bannon:

"I write you to ask if the Department of Indian Affairs can do anything to allow native dental therapists to practise in Ontario and also to allow the School of Dental Therapy to come to Thunder Bay.

"The enclosed letter by Dr. Keith Davey gives the background of what I am writing about. There is a School of Dental Therapy in Fort Smith, NWT, that wished to relocate in Thunder Bay. Confederation College was willing to have them. They were opposed and blocked by the Ontario Dental Association. As pointed out by Dr. Davey, the position of the ODA does not seem to be reasonable. The School of Dental Therapy graduates only about 10 students a year. The native dental therapists are trained to work with the native people and will live on the reserves. They are trained to teach preventive dental care to native adults and children—which they can do in the native language—pull teeth and put in fillings. They spend three years doing this training. They do not do caps or root canal jobs but refer these to dentists.

"I have worked with the native people for 12 years in Gull Bay, Armstrong, Savant Lake and Longlac, and I have noticed that there is a great need for better dental care among the native people. So I find it very frustrating to see some native people trying to do something and then see them being blocked."

He refers to a dental therapist who was originally from Gull Bay and who wanted to come back and provide this service, but it is against the law to do that in Ontario. He goes on to mention a lot of names and what he is doing, but I have given the gist of what he says. The letter is signed by Brian Tiffin, who is a Jesuit priest from Armstrong.

I wrote to the Minister of Health about this problem and received a letter back from John C. Gillies of the ODA—I had sent a copy of it to them. I still have not received a response from the Minister of Health even though I wrote on March 24.

Here is what the dental association said:

"I have received a copy of your March 24

letter to the Honourable Larry Grossman regarding dental services in the Armstrong area.

"I think there are two separate issues involved. One is the provision of dental service in the area and the other is the employment of dental therapists in Ontario.

"The matter of the relocation of the School of Dental Therapy has been the subject of discussion for the past several years. The basic problem is that there is no legal provision in Ontario for the practise of that particular occupation. The federal Minister of National Health and Welfare had, I believe, received advice from her solicitors that Ontario statutes clearly prohibit the practice of dentistry by persons other than those specified in the regulations under the Health Disciplines Act. I believe that arrangements are being finalized to relocate the school to Prince Albert, Saskatchewan.

"As you are aware, the provision of dental care to remote areas of Ontario has been a high priority of our association for some time. We have a number of areas of activity operating. We have been able to encourage members to establish dental practices in a number of communities in northern Ontario in the past two years. We have worked with the Ministry of Health to establish special facilities in Pickle Lake. We have responded to ministry initiatives regarding new criteria for the placement of mobile dental coaches which provide dental care to children and have supported government funding of a special project on a pilot basis in the Kenora-Rainy River area.

4 p.m.

"It is possible that arrangements could be made to provide routine care to adults on a periodic basis in areas where the establishment of a full-time dental practice is not feasible. I believe that Armstrong could fit into this category and I am sure the minister will keep you informed of progress as it is made."

The minister has not even answered the letter I wrote him back in March.

"We are also finalizing our arrangements with Health and Welfare Canada regarding the deployment of dentists to Indian reserves in Ontario. We expect to assume responsibility for administering a program whereby the ODA would send members to specific communities on a routine basis to provide dental care to all persons in the area. The primary focus would be to provide care to treaty status Indians, but all residents will be served.

"These arrangements are being made through an ongoing dialogue with the medical services

branch of Health and Welfare Canada, representatives of Grand Council Treaty 9 and the ODA.

"We share your feeling of urgency and to some degree frustration that these matters take so long to put into place. Please be assured that we are moving as fast as we can on this, but I'm sure that you are aware of the difficulties in establishing any programs that require the close co-operation of a number of different ministries, at two levels of government, and several voluntary bodies as well.

"To the best of my knowledge all parties are truly interested in seeing this matter accomplished and we hope to see some results in the near future."

It is signed by John C. Gillies of the Ontario Dental Association.

This is where the minister comes in. We want you to cut out the bureaucracy and the red tape. The Ontario Dental Association says there is a problem and it wants to address it. Our own Ministry of Health says there is a problem and it wants to address itself to it. National Health and Welfare is saying the same thing but, because of the bureaucracy and the red tape, nothing of any consequence gets done. That is what I tried to refer to in my opening remarks about the responsibility of this ministry to fill the void, cut out the bureaucracy and get on with filling what we all believe is a very vital need.

I want to get into something else and it has to do with the task force on the high cost of transportation and the high cost of living in northern Ontario, particularly in those communities north of the 50th parallel.

This minister and the Premier (Mr. Davis), I think as a result of my urging over a number of years, have taken on the responsibility of putting a task force in place to look into the high cost of consumer goods in northern Ontario areas which are accessible only by air. The air carriers serve all those communities well known to the minister and I, stretching from the Manitoba border over to the Quebec border and north of the 50th parallel.

I do know that Mr. R. Wycliffe and other civil servants representing a variety of ministries are looking seriously into those problems of high transportation costs resulting in gasoline selling for as much as \$5 a gallon in many of those communities in the north. It can cost up to \$2 for a loaf of bread, \$2.50 for a dozen eggs, 50 cents for an apple and 50 cents for an orange. It can cost up to \$3 for a little can of oil to mix with the gasoline for power motor boats and snow

machines which native people use in following their traditional lifestyle of hunting, fishing and trapping.

For very valid reasons, on initiatives and programs sponsored by the federal and provincial governments, we subsidize every air traffic ticket right across Canada by the way in which we subsidize the operation of our airports. We subsidize the cost of travel on norOntair. We know, because of the acceptance of that service which has grown dramatically over the last 10 years that where it used to cost us in the neighbourhood of \$75 every time somebody bought a ticket to travel on a norOntair flight, because of patronage that has been extended to the norOntair service, it is now down to between \$5 and \$6. The cost to the taxpayer generally in subsidizing one of those flights is now between \$5 and \$6, as opposed to the \$75 that it once cost.

It is an essential service, one that assists northerners in getting from one community to another. It assists businessmen in getting into these communities. It cuts down the travel time dramatically. It is a good service, it is one that is very widely used, and it is an excellent use of public funds.

In our wisdom we also subsidize 75 per cent of all the capital costs for urban transportation systems, whether they be in Metropolitan Toronto, Ottawa, Windsor or Thunder Bay. In the way in which we order our priorities down here in this assembly when spending the \$20 billion of taxpayers' money that we do, and such as we are asking for in these estimates, we think it is legitimate to pay Metropolitan Toronto for 75 per cent of their capital costs to provide public transportation.

There is a formula that is also used whereby we are very generous in subsidizing the operating costs of these public transportation systems. We also have another system put in place by the federal government, where they have absolved our two common carriers, Canadian Pacific and Canadian National Railways, of the responsibility for moving passengers wherever they want to go in Canada. They have set up an arm's-length crown corporation called Via Rail. I do not know the exact figures, but I am sure it is costing us about a half a billion dollars a year in operating subsidies, just to provide this so-called essential service for all Canadians who, for whatever reason, choose to travel by train in this great country of ours.

The Honourable Jean-Luc Pepin, the federal Minister of Transport, announced—and the

minister knows very well the furor that was created by that announcement—he was going to rationalize the rail transportation system for moving people in Canada. We know what happened in many northern communities where now, in that area where he and I have responsibility, along the north line of the CNR, there is no such thing as the supercontinental train any more. That went by the boards. We have a little wee jitney that runs three times a week to serve the communities like Sioux Lookout, like Savant Lake—

Hon. Mr. Bernier: They all support the federal Liberal members.

Mr. Stokes: Yes, you tell me about it. We have wall-to-wall Liberals federally in the north; and frankly, I do not know what they do.

Mr. Ruston: They must do something right, because they keep getting elected.

Mr. Stokes: They continually get elected and the Minister of Northern Affairs—

Mr. Van Horne: Can you tell me why they elect Conservatives in the north?

4:10 p.m.

Mr. Stokes: The Minister of Northern Affairs and I spend more than 50 per cent of our time looking after federal problems. I could be unkind and read some letters into the record if I was provoked to do so by the member for Essex North (Mr. Ruston) or the member for London North (Mr. Van Horne)

Mr. Van Horne: I'll provoke you enough to—

Mr. Ruston: Feel free. It is a democratic system.

Mr. Stokes: It would make very interesting reading.

Mr. Hodgson: Try one, Jack.

Mr. Stokes: It would make very interesting reading. I have them provoked.

Interjections.

Mr. Stokes: On Friday I referred, briefly, to a situation in which I paid tribute to the member for Sault Ste. Marie (Mr. Ramsay) and the member for Armourdale (Mr. McCaffrey). Mr. Ramsay at the time was Provincial Secretary for Resources Development and Mr. McCaffrey is the Minister of Citizenship and Culture. It had to do with a natural disaster in a community in the far north of Ontario, caused by high tides and winds. They lost all of the equipment they had.

I made representations to the appropriate people in the province and at that time they

said, "No, we cannot do it." I made appropriate representations to Ottawa and they said, "No, we cannot do it." I said, "To hell you can't; somebody is going to do something." So I wrote a long letter to this government and finally got a commitment for \$12,000 of the \$22,000 that was needed.

Once I received this commitment from Mr. Ramsay and Mr. McCaffrey I went to the feds and said: "This is primarily a federal responsibility, but here is what the province has done in good faith. Come on, you guys, pull up your breeches and come up with the balance," which was \$10,000.

The federal member became involved, and he asked: "What is going on here? Will you please send me your file on it so I can get working on it?" So I did, and I received a letter, dated May 12, on the letterhead of the House of Commons, reading as follows:

"Dear Jack:

"Thank you very much for your courtesy in sending me the correspondence you have had over the question of the disaster relief for the Fort Severn Reserve. I note that as a result of your efforts, on April 16, 1982, a special grant of \$12,000 was sent by the Ontario government, which is a substantial amount of money.

"I have taken this matter up with the Department of Indian Affairs and they have indicated that they do not have any funds for that purpose since they feel they are not in the insurance business. I am sorry that we have been unable to be successful in this matter."

It was signed by the member for Kenora-Rainy River.

Hon. Miss Stephenson: What is his name?

Mr. Stokes: John Reid.

Hon. Mr. Bernier: That's Pat Reid's brother.

Mr. Stokes: That was on May 12. Then, under date of May 13, I received the following letter:

"Dear Mr. Stokes:

"Thank you very much for your letter of March 23, regarding my department's financial assistance to the Fort Severn Indian band for the replacement of their fishing and hunting equipment.

"I am pleased to inform you that my district officers are meeting with the band members to arrange for the compensation in an amount not to exceed \$10,000.

"Yours sincerely,
"John C. Munro."

Hon. Miss Stephenson: Who is he?

Mr. Stokes: He is their minister of northern affairs.

Hon. Miss Stephenson: John who?

Mr. Stokes: Munro.

Hon. Mr. Bernier: That comes under John Parry's jurisdiction.

Mr. MacDonald: It sounds as though John Reid is on the outside looking in.

Mr. Stokes: Just to put things in perspective—where was I when I was so rudely interrupted?

Mr. Van Horne: You were about to be provoked.

Mr. Stokes: As a matter of fact—

Mr. Ruston: They cannot guarantee money in the pocket here when they say they are going to give it either, Jack. I have a letter right here, signed by the minister—\$960,000. Now they say they are entitled to \$90,000. We cannot trust them over there.

Mr. Stokes: Let me add a little codicil to that. I got a call Friday afternoon from Fort Severn saying, "Where is our \$12,000 from the province?" My secretary phoned the Ministry of Citizenship and Culture. They said, "We took it over and we gave it to the member," who is presumably me. I had not seen it. I have only one assistant and I said, "Did you see it?"

They said: "But we sent somebody over with the cheque. That person looked inside your office and there was nobody there." I do not know whether Cynthia is listening downstairs—I hope she is on the squawk box—but I will tell you what happened.

Hon. Mr. Bernier: Who has a squawk box?

Mr. Stokes: Let me tell you what happened to the cheque. They were going to bring it over to my office and there was nobody there, so they sent the messenger along with it and said, "Let's send it up by Purolator."

Do you know what Purolator service would have to do to get that cheque to Fort Severn? Have you any idea? I see Bill Charlton laughing, I see Dennis Tieman laughing and I see the minister laughing. Nobody else really understands what the logistics would be of sending a cheque, or anything for that matter, by way of Purolator all the way to Fort Severn. Do not ever try to send anything to Fort Severn by Purolator, please.

Hon. Mr. McCaffrey: You are laughing. You are going to have to pay for the taxi.

Mr. Stokes: Do you know what happened?

The cheque arrived in my office this morning for the second time.

Mr. Ruston: By Purolator.

Mr. Stokes: No, it was delivered by hand in its original envelope. It had a window in it. Do you know what was on it? It said "From the Ministry of Citizenship and Culture" up on the left hand. Do you know what it had in the window? It had, "Fort Severn Band." That was the only address and the only instruction. That poor Purolator courier was supposed to get that cheque—

Hon. Mr. McCaffrey: He's beat; he's not worth a damn today.

Mr. Stokes: I said: "All right, I know where the \$12,000 is. Bruce McCaffrey came through as he said he would. Everything is fine and dandy." I phoned Sioux Lookout; to John Parry, the superintendent of Indian affairs and was told, "He is busy; he is not available." I made about three calls. I was told, "He is still on the phone."

Hon. Miss Stephenson: Why didn't you phone John Munro's office?

Mr. Stokes: Just wait a minute.

Mr. Ruston: Just hold your horses.

Mr. Stokes: Yes, just wait.

The lady on the phone said, "Is there anything I can do for you?" I went through this long rigmarole saying, "I have a letter from your minister saying they are going to talk with your district office and they have agreed to come up with \$10,000 to satisfy this need."

What happened next? I phoned back just before coming into the House at two o'clock and they said, "Oh no, he is away to lunch." There is an hour's time difference between Sioux Lookout and Toronto, even though—

Hon. Miss Stephenson: The expression is, "He is out to lunch."

Mr. Stokes: You can believe he was out to lunch.

I said: "It is not necessary that I talk to John Parry. Just give me an economic development officer and I am sure he will be more than happy to carry out the instructions of the minister, John Munro."

She said: "I have no recollection of any instructions like that coming in. I know they did not meet with anybody from Fort Severn last week, and I know they are not going to meet with anybody from Fort Severn this week because they are down in southern Ontario on a special course for economic development officers."

Hon. Mr. Bernier: Stoney was in Thunder Bay. I was sitting with him at the bar.

Mr. Stokes: Jack Stoney?

Hon. Mr. Bernier: No, Jack Stoney's cousin, Archie.

Mr. Stokes: Archie.

Hon. Mr. Bernier: Archie Stoney.

Mr. Stokes: There is an all-chiefs meeting down here out at the airport hotel and I am trying to get hold of him. Ennis Crowe is the chief, and Ennis Crowe is at this—

Hon. Miss Stephenson: Why didn't you phone John Munro?

4:20 p.m.

Mr. Stokes: Why should I phone John Munro?

Hon. Miss Stephenson: Why shouldn't you?

Mr. Stokes: Maybe I want to give those people the benefit of the doubt. I cannot get hold of anybody in Indian Affairs to tell me whether they are aware of the instructions put out by the Ministry of Northern Affairs. It just goes to show how much time we elected members in northern Ontario spend running around trying to grease the wheels of power to get something done on a request as reasonable and justified as this. These are the kinds of things this ministry can do to cut out the red tape.

I want to ask the minister how many hours of his time and his staff's time is spent dealing with unemployment insurance commission problems? The minister's Northern Affairs officers, wherever they are located throughout the province, have taken on that responsibility. It is an excellent service. I do not know whether the minister spends any time on the phone calling the special number in the Manpower and Immigration offices in Thunder Bay. They gave us a number where we are dealt with by somebody who cuts through the red tape. They have a little computer and they can punch a few numbers and at least give the status of the claim.

I do not think it is enough for this ministry just to provide that service. It has to make an analysis of the problems it is continually faced with and say, "This is how we can improve our system."

Let me tell the minister that these layoffs in the woodlands industry, where they lay off 400 or 500 at a time, involve 400 or 500 individual applications, 400 or 500 separation notices and all the bureaucracy that entails. I had one employer who had the temerity to suggest, when papers were filled out for all these people, that

the expected recall date would be May 3. This was fed into the computer, and when May 3 came along, 500 employees were cut off.

My secretary gets all these calls asking: "What are they doing? I have not been called back. This is the first time I have collected unemployment insurance in 10 years. I collected it for four or five weeks and they cut me off. Why?" We do not know why, but we will find out. It all goes back to what the employer said about the expected recall date; and some of those people are not back to work yet. Some of them did go back, but none went back on May 3. Some went back on May 10 and some are still not back to work, but they are not getting any unemployment insurance benefits. That is the frustrating thing.

I know the minister is not responsible for UIC programs and benefits, but Northern Affairs officers have to deal with these things on a regular basis. It makes no sense to have me spending my valuable time covering up for other people who are incompetent. It makes no sense to have 28 or 29 Northern Affairs officers dealing with these very aggravating problems when there is a realistic and intelligent way of approaching the problem. Tell Axworthy down there that his system is not working and tell him why it is not working. God knows I have tried only the client group a favour, not only Canada Manpower a favour, but ourselves and our staff a favour. After all, that is what service is all about. I think the ministry and this minister have some responsibility in that regard.

I have gone on a lot longer than I had expected but I just wanted to—

Is the Minister of Education enjoying it?

Hon. Miss Stephenson: Yes.

Mr. Stokes: Okay. Maybe I will be provoked to carry on a little bit longer then.

Interjections.

Mr. Stokes: Why do you not come up to the north and see all these problems at first hand?

Interjections.

Mr. Stokes: Yes, you did not invite me, for some strange reason.

Hon. Miss Stephenson: No, I didn't. I thought it was safer not to.

Mr. Ruston: We have a quorum in here; that is something. Look at all the Tories over there: 13 of them today; that's a lot bigger than last Thursday night.

Mr. Hodgson: You should talk about a quo-

rum; you only had one member in the other night.

Mr. Ruston: That's right Bill.

Mr. Stokes: I want to deal with something else. I know the minister has been running around talking about hydro rates—

Mr. Ruston: If I had brought in a budget like that, Bill, I wouldn't want to be here either.

Mr. Stokes: Have you got something to say?

Mr. Ruston: Excuse me.

Mr. Stokes: I know the minister has been running around talking about hydro rates and the iniquitous effect the proposed rate increases for hydro services will have on northerners. You will pay more per unit in the winter months than you will in the summer months. We pay more in northern Ontario because of the climate, and because of the way we use hydro services. We use hydro primarily to keep warm, to heat water and to shed a little bit of light on the subject, whatever that is. For that we get a kick in the teeth.

In the sunnier climes of southern Ontario, in the summer months you are more apt to use hydro to heat your swimming pools, to run your air conditioning or to make more ice cubes for your cold drinks—all of the reasons people use hydro in Metropolitan Toronto during the summer months just so they can be more comfortable and pander to this elegant living that you have become so used to; and for that you get a reduction.

But when it comes to us, to heating our hot water and keeping our homes warm in northern Ontario, we get a kick in the teeth. My colleague the member for Sudbury East (Mr. Martel) raised this on March 30. Members know the answers he got from the Deputy Premier and Minister of Energy (Mr. Welch), and we are no closer to resolving it.

I know the minister cannot stand up here as the Minister of Northern Affairs and ask the Minister of Energy what is going on with regard to the discriminatory hydro rates that are being imposed on users in northern Ontario. I do not doubt he talks to him privately and around the cabinet table; I do know he speaks very openly about the very thing that concerned my colleague from Sudbury East on March 30.

But we would like to see some results from the concern of the Minister of Northern Affairs about a problem that is so important and so sensitive to the people of northern Ontario. It is not a question of cabinet solidarity. If the

ministers would even try to be critical of the Minister of Northern Affairs because he happens to disagree with one of these line ministries down here, if you want a revolt just try to pick on a Minister of Northern Affairs for doing something to carry out his mandate.

We go back to the firing of civil servants because all they are doing is their job. I liken it to the Minister of Northern Affairs doing his job on behalf of the people of northern Ontario. It is not a question of cabinet solidarity and sitting on your hands and doing nothing, it is a question of carrying out the mandate of this ministry on behalf of everybody living north of the French River.

4:30 p.m.

Whether you are looking at an industrial strategy for Ontario, particularly northern Ontario where the situation is so different; whether you are talking about dental services; whether you are talking about health services in general; whether you are talking about education or hydro rates; we who have the responsibility and the privilege of representing northern ridings know what those differences are. We spend almost every waking minute of every hour of every day trying to convince our colleagues down here that they must find northern solutions to northern problems.

You cannot say that because something works in Metropolitan Toronto, Windsor, London, Ottawa or Essex that you can apply that kind of solution to the north with any reasonable expectation that it might work. We who live in the north know it will not work. That is why this minister, more than any other, has to jump over the traces. He has to be much more vocal. He has to be much more persuasive around the cabinet table.

This is the second year in a row that I have had the responsibility of being the critic for this party in dealing with northern affairs. One of the things that has bugged me for quite some time is the fact that the parliamentary assistant, for whatever reason, has never seen fit to come and at least listen to what is being said. We spend something in the neighbourhood of \$6,500 a year to have the member for Fort William (Mr. Hennessy) be your joe-boy. I monitor things pretty closely and, frankly, I do not know what he does.

Hon. Mr. Elgie: He looks after the Port Arthur riding.

Mr. Stokes: If he is hired for political reasons, I am glad to hear you admit that. If he is hired

for political reasons, he does not have to look after the Lake Nipigon riding. If I took him off a main road for five minutes he would get lost and would not know where the hell he was.

The Minister of Consumer and Commercial Relations (Mr. Elgie) said, "He is looking after the Port Arthur riding." The Port Arthur riding is adequately looked after by the member for Port Arthur (Mr. Foulds). Mr. Lakkanen knows all about that.

I want to know why the parliamentary assistant to this minister and the Ministry of Northern Affairs is not here listening to what I have to say about northern affairs. It is bad enough that we have only two cabinet colleagues here. We did have three until the Minister of Education left. That is bad enough. I am talking to the minister through you, Mr. Chairman, anyway.

We have a right to see the parliamentary assistant, who has been restricted to six per cent this year for reasons that are well known to all of us and which were explained so eloquently by the Treasurer (Mr. F. S. Miller). I want to know what that guy is doing for the \$6,500 he gets in addition to what an ordinary member gets around here. I have a right to know. The taxpayers of this province have a right to know, and my constituents have a right to know.

One of the things he did get involved in was the designation of the Terry Fox highway. Everybody thought it was worthwhile to designate 100 kilometres of Highway 11-17 to that great, young courageous Canadian, but they could not even do that right. I do not blame this minister and I do not blame the Minister of Transportation and Communications (Mr. Snow). I blame the parliamentary assistant. The day before they were going to put up two signs, one of them about 100 yards from the boundary of the riding of Fort William; to which point Terry Fox never got, he stopped about 10 miles west of Pass Lake in the riding of my colleague the member for Port Arthur. But where are the signs? They are about one mile outside Nipigon facing west, the Terry Fox Courage Highway, and about 100 yards outside the boundary between Fort William and Port Arthur ridings. That is the area that was designated. Don't ask me why, but I could read you letters—.

I am told that your colleague the Treasurer is going to be speaking within the next week or 10 days at the Tory riding association meeting for Lake Nipigon. Do you know who is going to be picketing that meeting?

Hon. Mr. Bernier: There were more people at

the Tory nomination last time than there were at your nomination.

Mr. Stokes: You paid them to be there. Do you want me to talk about that?

Hon. Mr. Bernier: There were 60 people at the Tory nomination and only 30 at your meeting.

Mr. Stokes: He paid them to be there. I will get into that right now if you want. That is not a northern affair; that is a northern travesty.

All I am saying is that your parliamentary assistant should be here. He should at least take that much interest in a ministry and in an area of government policy that he has some responsibility for and is getting paid for.

There are several other problems I want to discuss, Mr. Chairman, but I have gone on much longer than I wanted to. I will deal in detail with some of the things I have neglected to raise up to this point as we go along with the votes. With that I will take my seat.

Mr. Chairman: Before we get into votes we traditionally allow the minister an opportunity to respond to opening remarks. If that is in order, Mr. Minister, would you have any comments?

Hon. Mr. Bernier: Thank you very much, Mr. Chairman. I will open my response to both the honourable members with a note of gratitude for their recognition of what the Ministry of Northern Affairs is attempting to do in northern Ontario, at least in trying to identify and respond to the unique needs associated with those north of the French River.

I want to welcome the member for London North (Mr. Van Horne) as my official critic from the Liberal Party. I suppose the only connection he has with the north is his riding identification, London North. I sense from his presentation in the examination of these estimates that he has done a lot of research into and reading of speeches given by former Liberal critics. Much of the same has surfaced in previous years.

I am particularly pleased that his new leader has taken a new and opposite approach to the Ministry of Northern Affairs. You will recall that the famous—or infamous—Dr. Smith managed to get up to northern Ontario on a couple of occasions, but he did not think the ministry was worthwhile. It was an absolute waste of time and it was not doing the job for a variety of reasons.

4:40 p.m.

The policies and programs of this government, which in many instances are reflected

through the Ministry of Northern Affairs, have been responsible for the number of members we have on this side of the House.

As I would remind the honourable member again, his new leader has taken a different approach than the previous one, Dr. Smith. I welcome that approach because I think it is a sound one. He said in Thunder Bay—and I am sure the record will bear me out as being correct—he would build on the strength and the base of the present Ministry of Northern Affairs, expand its role and give it more far-reaching powers than it has under our mandate today. To me that is an acceptance of the policies and programs we have been working on for the last five years. So I think there has been some early recognition in the official opposition of what is happening and what we are doing in response to the many requirements of northern Ontario.

Some of the adjectives the member was using in referring to northern Ontario would not be accepted there. Northerners do not appreciate words like “stagnant” or phrases like “living in fear” or “the raping of their resources.” We do not rape our resources, we harvest them. Those words irritate northerners. The member for Algoma (Mr. Wildman) is agreeing with me. Northerners are very proud of what they have been able to achieve over the last generation or two. The quality of life we have up there is second to none on the North American continent.

The honourable member made some reference to a number of studies and problems we have. We are not saying we will resolve all those problems overnight but I can assure him we are working very diligently on them.

One of our problems is the single-resource-industry community. That is an area we have concentrated on. If the member would take time to read *The Atikokan Story*, he would see precisely what I mean when I say we take a pragmatic approach to these problems. We deal with the issues as they are today and deal with them very effectively. We did that in Atikokan. The member for Rainy River (Mr. T. P. Reid) has endorsed wholeheartedly our thrust to that single-industry community.

If members have time I would encourage them to visit Atikokan this summer and see what has been done—not only by this government and this ministry but what has been done through the determination of the people in that community to carry on. They pulled together in the gloom that lingered over that community when those two major mines closed down and

removed their main source of employment. I have said many times there will always be an Atikokan because of the determination of the local people. That spirit is there in full force and has the support of this ministry and this government. That is the kind of approach we have been taking.

Another area we have been working very closely with is the Pickle Lake area. It is another single-industry community, dependent solely on its nonrenewable resources at this time. I am one of those who believe that in the future places like Pickle Lake, Red Lake and Ear Falls will not be dependent only on nonrenewable resources but will have a share in the renewable resources that are in such abundance on their doorstep.

We have a problem before us in the Pickle Lake area and again we are dealing very closely with the community and the industry there. Discussions have been going on for the last month or so with the company and with the people. We are working very closely with them to help them out of that situation.

However, there are no easy solutions for single-industry communities, particularly those with nonrenewable resources. We know that. I have not heard any magic ideas from the other side of the House as to how we should deal with these problems. Our approach, on an individual basis, is one that has been shown some response and had some definite acceptance right across northern Ontario.

I want to reassure the member for London North that the Ministry of Natural Resources, as the line ministry, has the forest regeneration program in hand, the very much talked about regeneration program right across northern Ontario, with implementation of the forest management agreements, of which we have seen a number signed to date. Others are on the planning boards now in line with the thrust that the ministry is making, along with giving financial support. A substantial amount of the financial resources for this come from my ministry to the MNR, and also from the Board of Industrial Leadership and Development which is ploughing literally millions of dollars into the regeneration and reforestation program of northern Ontario.

The honourable member mentioned some initiative, some thrust we should be moving into, particularly in relation to the farming community. He correctly identified the marketing study we undertook some considerable time ago. That report is before us now. We are

reviewing the recommendations of that marketing study, which was conducted by northerners themselves. The makeup of the committee was all northerners, along with a very bright and able young fellow from our Sault Ste. Marie office, by the name of David Head. They have pulled together some exciting recommendations that we will be bringing forward. The import substitution studies were part and parcel of that marketing study, which identified, in specific areas, at least in the five major urban areas, products that could be grown in northern Ontario to support local consumption. We will be coming forward with a pamphlet or booklet that will encourage a thrust in this direction.

In the field of projects, we have embarked on a very ambitious one as a pilot project, the greenhouse at Ramore. It sounded quite simple at the start. In co-operation with the northern college, we utilized the waste heat from the TransCanada gas piping station, put that heat into a greenhouse about half an acre in size, and proved it could operate and it is feasible. That idea has been taken up by the private sector now and expanded considerably. It is now producing treelings for the Ministry of Natural Resources in abundance.

Also, under the NORDA program, the northern Ontario rural development agreement that was signed about a year ago, a federal-provincial agreement directed to the rural areas of northern Ontario to help the entrepreneurs of northern Ontario, we have to date had something in excess of 500 applications from those in the farming community directly related to their particular needs. There is a definite thrust with respect to farming in this particular ministry.

The member for London North and the member for Lake Nipigon (Mr. Stokes) made considerable mention of the wild rice future in this province. I am not sure if they supported an extension of the five-year moratorium or not. I have some concerns about it. Five years has given the focus, not only to the population at large but to the native people in our province, that there is terrific potential in that particular crop.

As the member for Lake Nipigon has correctly pointed out, the resources are administered by the Ministry of Natural Resources in the interest of all the people of this province, and they are doing that but not forgetting the traditional harvesting areas. The Ministry of Natural Resources had this policy when I was there, and I am sure the new minister has repeated it on several occasions, that is those

traditional native harvesting areas will always be protected solely for the native people of northern Ontario. That is in place and it always will be in place, but I think there are certain hazards in extending the moratorium.

4:50 p.m.

I will refer to the report which the member for London North mentioned, the report on wild rice prepared by Peter Lee at Lakehead University. It is a very extensive survey that he is doing on behalf of this government and this ministry. The report—of which I have a copy here and copies can be made available to the members if they are interested in them—is the first progress report of year one, and I think it is a five-year report.

He points out in his first report that of the natural stand for world production of wild rice, Ontario has about 19.2 per cent of the total, yet our average world production is only 7.1 per cent. In other words, we have about 19 per cent of the total crop in the world, yet we are only harvesting and marketing seven per cent. I would think the extension of that moratorium would move our position further away from what I think we should be, a major producer.

The state of Minnesota today produces 64 per cent of the wild rice used in the world and we have far better climatic conditions and a far better area. The lakes and bogs of northern Ontario are more suitable, in my opinion, to the development of wild rice than the flat lands of Minnesota. Much of their rice is paddy rice, it is not the wild type that we grow in northern Ontario. I think we are losing out by not being more aggressive in not only in the harvesting but the development of the processing and the marketing of this particular product.

We have always taken the attitude, as I said earlier, that the traditional harvesting areas would be protected for our native people. We have always felt they should play a greater role, have a greater say in the processing and the marketing, not just the harvesting. For too long we have relied on those people just to do the harvesting. I think they can take those other steps. Certainly they will be given encouragement by this ministry and from this government to take those very important steps.

But to stop the rest of the world with another moratorium on wild rice, I think would be a detriment not only to our native people but to our position as developers and processors of a very excellent gourmet product that has attraction not only in this country but indeed in other parts of the world. We have here an exclusive

product and we are not, in my opinion, reaping the benefits that we should for our native people and for the other sections of our society.

A more open policy, with more thrust in getting more people involved, would be of benefit to all those who have the capability of doing it. The capability is in northern Ontario but they must be given the encouragement, and it is not through a continuation of a moratorium that encouragement will move ahead.

Mr. Stokes: Well what are you going to do to assist the native people in realizing their full potential?

Hon. Mr. Bernier: As I said a moment ago, there is a role they can play. I am disappointed that they have not been more aggressive in getting off the mark. Five years is a long time.

I am sure the member realizes there are producers in northwestern Ontario now who are looking as far west as California to develop a wild rice crop. It is a shame that we have the harvesting capability and the processing capability right in northern Ontario, and companies that are Canadian-owned are operating in Minnesota today. Saskatchewan is moving ahead of us; so is Manitoba. We are standing still. I think it is absolutely ridiculous.

They can be supported; their traditional harvesting areas are protected and will be protected. There is not a Minister of Natural Resources who has not repeated that statement time and time again, and they accept that. There is no argument about that, but there are all kinds of other areas that can be developed and promoted.

Mr. Stokes: If we can give \$130 million to the pulp and paper industry, why can we not subsidize native people to realize that potential?

Hon. Mr. Bernier: I think we can and that they will. But they have to come forward; they have to be more aggressive in their demand to get involved, not, as I said, just with the harvesting but also with the processing and the marketing, which are very important.

Mr. Stokes: Sure; that's where the money is.

Hon. Mr. Bernier: That's where the money is, that's right; no question about it.

The honourable member made reference to the various studies that were under way in our ministry. One dealt with the task force on the high cost of living in northern Ontario. That is nearing completion, I am told, and it should be in our hands later this summer. We will look at the recommendations very carefully and we will

be making comments on those recommendations at that time.

He questions the Sudbury-Elliot Lake transportation study, which was undertaken some time ago. I would point out that no consultants were engaged in that particular study; it was undertaken by the staff of the Ontario Northland Transportation Commission and the Ministry of Transportation and Communications. They looked at the whole possibility of a rapid transit system between Sudbury and Elliot Lake. They very carefully reviewed various modes of transportation and concluded that the various proposals they were looking at were not economically viable, so the report on that was never implemented because the initial studies were not very encouraging.

The member also mentioned the Peter Lee wild rice study. I have copies of that report here, Mr. Chairman, and if the members are interested I would be pleased to send copies of the first year progress report to them. I will make sure we do that before the estimates have concluded so they can get some indication of what we are doing on those studies.

There was some mention of the roads into our isolated communities. As I mentioned in my opening remarks, we are working very closely with the Ministry of Transportation and Communications to see if there is some way that the Ministry of Natural Resources in their overview of the forest management programs can get the companies to indicate to the ministry their specific and required forest access road alignments. We think the time has come, because of the federal Liberal action, which saw regular communication and transportation cut off from about 20 isolated communities along the Canadian National Railways main line, the northern line. In some instances those forest access roads could be realigned to serve not only the requirements of the forest industry but also those of the small pockets of population that are located along the CNR northern main line.

Our efforts with regard to peat are still moving ahead. We are having regular discussions. We are working very closely with the Ministry of Natural Resources and the Ministry of Energy, not only with regard to peat but also in attempting to identify larger bodies of lignite in the lower James Bay area. Those studies are going on at the present time.

I might say that I had the opportunity to go to Italy in January at the invitation of the regional government of Friuli to examine their efforts—

Mr. Stokes: Did Andy go with you?

Hon. Mr. Bernier: Yes, he did, and he was an excellent interpreter. He showed us around, and I think we learned a lot from that study, particularly in our discussions with people from the Fiat company, who had been over here, as the member for Lake Nipigon will be aware. They had gone to Armstrong to look at the potential of a cogeneration system that could be developed in the Armstrong area. As the member is aware, those two diesel generating units will have to be replaced within two years. In our original assessment we felt very strongly that Armstrong lent itself very well to a pilot program.

Mr. Stokes: Who proposed it?

Hon. Mr. Bernier: It must have surfaced somewhere. The member's suggestion was a good one, and we accepted it because it is a natural. It has an airport, a road link, a railway link and it is an isolated community.

Mr. Stokes: And high costs.

Hon. Mr. Bernier: Yes, and high costs. It lends itself ideally to such a pilot project. We did send engineers to Armstrong; they also visited Hearst, and they went down to Minnesota to look at the gasification plant there. We are waiting for their report, which should be back in the next month or so, to give us some idea as to the possibilities of developing something at Armstrong.

5 p.m.

In our preliminary discussions we think it could support about 15 units in toto using the peat or even the wood gasification process in that area. It is unique. It is 95 per cent efficient using any of these fuels, not only providing electrical power but also providing a tremendous amount of heat for buildings and that type of thing.

Mr. Stokes: Greenhouses.

Hon. Mr. Bernier: Greenhouses; yes, that is still very much alive.

The member for London North made some mention of the health care system and his recent visit to northern Ontario along with the task force to look at what is being done. I said in my opening remarks I was a little disappointed that the positive side of the moves we have made in the past few years were not recognized.

Those of us who live in northern Ontario are very much aware of the changes that have come about in the past year, be they in the development of medical clinics, mobile dental units and the changes to the Ontario health insurance

plan as they relate to travel. If one is in a hospital one now can be transferred to another hospital by an excellent air ambulance system.

I was very disappointed to read in the Thunder Bay paper about a doctor in that area who has certain political leanings and who was very critical of the air ambulance system before the Liberal task force. He thought it was a waste of money and was not needed and not warranted. Those of us living in northern Ontario do not think—

Mr. J. A. Reed: He documented the husbands who beat their wives into the hospitals, as a matter of fact.

Hon. Mr. Bernier: I am sure he is eating his words today, because those statements did not go down well in northern Ontario. We do not think we should have a second-class service; we should have a first-class service. In my discussions with the Minister of Health we started out to devise and implement a first-class system, and we have it. I take pride in that. I do not think any northerner in this House would want anything less.

I say to the doctor in Thunder Bay he would be wise to re-examine his remarks and maybe speak what true northerners really feel about what we know to be an excellent service. The wife of the member for Lake Nipigon had occasion to use the air ambulance system just last Friday.

Mr. Stokes: Last Friday.

Hon. Mr. Bernier: He would recommend it to all of us as second to none. We are getting that kind of acceptance of the air ambulance system right across the north. There is no question but that we have a lot of improvements to make. We are not saying that we have all the answers or that we have satisfied all the requirements of the health care program and system in northern Ontario.

When we attempt to attract specialists into the small communities in the remote areas we cannot forget that we have about 90 per cent of the land mass and only 10 per cent of the population, but nevertheless our whole thrust has been eventually to make northern Ontario self-sufficient and self-supporting in its health care program. That is why we are directing patients to major medical referral centres.

We have seen the development of a cancer clinic at Thunder Bay; it is second to none in the province and is closely connected with Princess Margaret Hospital in Toronto. Many people from northwest Ontario who used to go to

Manitoba are now going to Thunder Bay, realizing what a wonderful facility we have there. That is just a start.

The cardiovascular unit in Sudbury is moving ahead and gaining in strength. That will come about over time. If we constantly send our patients to Winnipeg or to the Toronto area, we will never have a good, strong medical system.

Mr. Stokes: Or to Rochester.

Hon. Mr. Bernier: Yes, Rochester is becoming very expensive. OHIP will pay only the rate in Ontario, and I think the member knows the problem that causes us as northern members. I have several cases on my platter that I am dealing with at present.

I thank the member for London North for his opening remarks and for his contribution. I sense a sincere desire on his part to be constructive and helpful, and for that I express my appreciation to him.

The member for Lake Nipigon is always, in his own way, very positive and straightforward; he is critical sometimes but nevertheless always helpful. Certainly I do appreciate his remarks relating to our moving towards being more of an advocate than we have been in the past. I think he has recognized that. There are certain problems related to that, as I am sure he is aware. One has to do it with delicacy, class and finesse, but with persuasion.

Mr. Stokes: Even if you do have to knock a few heads together.

Hon. Mr. Bernier: It is not that. I have to say very sincerely that the Ministry of Northern Affairs would not have been able to respond to so many problems in the north had it not been for the sincerity and faith my colleagues show towards this ministry.

As an example, I am involved in three policy fields and I am on Management Board of Cabinet. It is obvious I cannot be at three of those committees at once, but I trust my colleagues in cabinet. Without exception, they always protect the northern interest. Sometimes they even amaze me. One will come to me and say: "You were not at the meeting. I realize you could not be there. Something came up that would have an effect on northern Ontario, and this is what I said." It is that kind of co-operation I am getting from my cabinet colleagues. I certainly want to have it on record that I appreciate their constant concern for the special problems of northern Ontario.

The member for Lake Nipigon made some reference to the Hydro requirements of Wun-

nummin Lake. I am sure he is aware that Hydro has entered into an agreement with the Department of Indian Affairs and Northern Development, that is in place. There is a long-range program, which is much more protracted than I would like to see over a period of time; nevertheless it is there. We have contacted them and asked them to accelerate that program because we think it is really needed. The same old reply comes back, "It is geared to the funding that will flow to our department and that is in place." But we will continue to press them to accelerate that program, one that Hydro services for them and then charges back to the department. It is something we are working very closely with them on.

Also, in co-operation with the Ministry of Transportation and Communications, we are pressing the federal government with regard to improved navigational aids in remote areas of northern Ontario. We have an excellent airstrip program. More than 20 airstrips now are completed, but we do lack aids. We saw the problem at Pikangikum, where the lights failed. An airplane crashed because there was no lighting system on that strip and the navigational aids were nonexistent.

It is fair to say the Minister of Transportation and Communications (Mr. Snow) had worked out a program with the former Minister of Transport in Ottawa, Don Mazankowski. The thrust we took at that time was that the province would develop an airstrip program if the federal government, in turn, would look after the navigational aids, because they spread across provincial boundaries and are strictly a federal responsibility. That was agreed to. It took us some time to get the new administration on track with regard to that proposal, but I am told it is back on track now and that it is moving ahead and we will see some real improvements to navigational aids in northern Ontario.

5:10 p.m.

I have said a considerable amount concerning the wild rice issue in northern Ontario. I am pleased that the member for Lake Nipigon has taken such an interest in that field. As he knows, we have engaged Peter Lee who is, in my opinion, the expert on the North American continent with regard to wild rice. He is a young, bright fellow who hails from the University of Manitoba and who now is working at Lakehead University. I have not run into anybody who is better.

There was a gentleman by the name of Bob Edmund in Minneapolis who was very knowl-

edgeable in the field of wild rice, but he has passed on. I have to say in all sincerity that Peter Lee has taken up where he left off and is doing a great job. I know we will get good results from the funds we are putting into Lakehead University, not only in strengthening and broadening our knowledge of wild rice but also in helping that university to become a research centre for the northwest. I am pleased that we were able to do that for this facility.

The thrust of our whole efforts in the wild rice industry, as the member for Lake Nipigon pointed out, is to maximize the benefits not only for our native people but also for all the people of the province, particularly those living in northern Ontario. The potential is there and, if we take a common sense approach, it will be realized.

The member asked a question about the announcement I made earlier today with respect to the northern employment incentive program. I am very pleased that I was able to make this announcement, because I think it is the first time we have directed a specific program to the unorganized areas of northern Ontario.

For all the years that I have been around, this has been an area that always has been left out of these programs, because there was really no way one could fund those pockets of population and satisfy their needs. There was no structure there and no ministry that was sensitive to their particular needs. Now we have such a ministry and a program that will answer those needs as they relate to unemployment.

There will be \$500,000 for the local services boards and community organizations, which is a sizeable amount of money. We have limited the total amount to \$7,500 for each community, from which 100 per cent of the labour costs will be taken. In addition, the unorganized communities assistance fund will pay 25 per cent towards material costs. For example, if a local services board or community organization wishes to develop a firehall, we will pay 25 per cent of the material costs, and 100 per cent of the labour costs will be borne by the incentive program.

We believe much of this money will go towards clean up and beautification work in the communities. Also, we hope that emphasis will be placed on firefighting improvements and repairs to recreational facilities.

We chose to go the route of the Northern Affairs officers for this program because we have 29 of them located strategically across northern Ontario. We feel we can get the

message out to those communities much faster through those officers than in any other way. They will take the application. They will be fully briefed on the criteria we have set out, which are not stringent. We are not being boxed in with rules and regulations. Unlike the organized communities, there is no deadline for applications. It takes time for those people to get their act together; we know that, and so we have left it open, although the program does end on December 31 of this year. We are going to monitor this program very carefully because I think it will be a forerunner of other programs to follow in the years to come.

I was pleased that the member for Lake Nipigon recognized our slight shift towards the social policy field. For the last year or two we have been very sensitive to those needs in northern Ontario, particularly as they relate to the field of health. The member has seen our emphasis in assisting municipalities in the north to develop medical centres. We have a number of those located across northern Ontario now. We have co-operated financially with the Ministry of Health in providing mobile dental coaches, which are doing an excellent job in northern Ontario. We have gone so far as funding the Kenora-Rainy River District Health Council to fund a pilot program for dental improvement in the remote schools of that region. That is going over exceptionally well. There was a report prepared by Dr. Les Armstrong. It is available to members if they are interested. I would be glad to get them copies. It is something that answers a specific need.

We have also become involved in providing bursaries to doctors, dentists and certain specialists in our efforts to get them to move to northern Ontario. That has worked exceptionally well, but I have to confide to members that my own nephew, who graduated from the University of Manitoba with a doctor's degree, has not seen fit to move back to northwestern Ontario. I am disappointed that it has not registered with him. He is staying in Manitoba and intends to specialize in gynaecology. He tells me that a specialist has to stay in a large major centre because that is where the big bucks are. That is what he tells me. Nevertheless, it has worked in many other areas and the response is there.

Mr. Stokes: I hope he paid back the bursary.

Hon. Mr. Bernier: No, he did not take one. I sent him all the information, I twisted his arm, I did everything, but he would not bite. Some day

he may come around, because the future is really in northern Ontario.

Members have seen our involvement in the air ambulance program where we funded 50 per cent of the cost. That program has finished its first full year. Now we will go into a six-month evaluation period to examine last year's operation to see whether we are using the right airplanes and whether we are operating from the right communities. That is something we will look at very carefully. It may well be that we should be operating out of different communities or with different types of airplanes. As members know, we have four different types of airplanes, two different types of helicopters, a jet and a King Air. That information will be flowing through now and we will be making those long-term decisions in the near future.

The latest thrust we have in the social policy field was announced in the throne speech where the members became aware of our desire to see improvements for the senior citizens of northern Ontario under our long-term extended care program. This originates from a private member's bill that my colleague the member for Algoma-Manitoulin (Mr. Lane) brought to this House two years ago. He did get full support from all members of the House for an excellent idea, one that we are implementing now.

There are no new funds for this program, but here we are shifting from the infrastructure areas. Over the past five or six years we have ploughed about \$35 million into sewer and water projects, topping up what the Ministry of the Environment has been doing. Because of the high costs in northern Ontario, many of the municipalities could not afford the excessive costs of sewer and water projects. We assisted financially on top of what MOE was giving.

Now we think we should shift our emphasis and go into the social field, and the extended care program will take some of those dollars. We have identified approximately 25 communities that we think could qualify for the 20 extended care units that would be attached to a hospital, using the common laundry, kitchen, administration and nursing staff of the existing facility. That program is moving ahead now.

The various hospital boards will make the applications. They will flow through the district health council, which prioritizes the requirements of that region. In turn, the applications will go to the Ministry of Health for examination and approval. Then we in the Ministry of Northern Affairs will put up five sixths of the capital funding, and one sixth will be raised by

the local hospital board or the community where the facility will be located.

5:20 p.m.

It will provide extended care for our senior citizens in the smaller communities. In no way do we want to detract from or diminish the importance of the homes for the aged and other such institutions located across the north in many of our ridings, because they offer excellent service. However, there is a need for that extended care in the smaller communities, and we are answering that need with this new program.

In answer to the comments made by the member for Lake Nipigon with respect to dental therapy, he is quite right in pointing out that there are no legal provisions in Ontario for the practise of this type of profession. The dentists have made it very clear that they can and will provide service for the need to which he refers. In fact, just the other night I had the pleasure of being a guest at the Ontario Dental Association members' annual dinner. I understand they will offer the same opportunity to each of the other parties within the next few weeks.

Mr. Stokes: Tomorrow night, as a matter of fact.

Hon. Mr. Bernier: Is it tomorrow night?

The retiring president, Brad Holmes, who hails from Kenora, informs me they have about 150 dentists who have agreed to come into northern Ontario on a rotational basis and serve the small communities to which the member has made reference.

Mr. Stokes: Things must be tough all over.

Hon. Mr. Bernier: They are moving around, because I think they—

Hon. Miss Stephenson: They are doing it voluntarily.

Hon. Mr. Bernier: Yes, they are doing it voluntarily. Brad Holmes, who is very knowledgeable about that area of northern Ontario, has taken the first group around to try to get them settled in and to show them the distances involved and the needs of those areas. I am confident the ODA has things in hand.

Mr. Van Horne: The minister indicated this was a volunteer commitment that they made. There is no remuneration for their services; is that correct?

Hon. Mr. Bernier: There was a payment from the Department of Indian Affairs and Northern Development.

Hon. Miss Stephenson: Yes, but it is a very small payment.

Hon. Mr. Bernier: They are giving freely of their time to go up to northern Ontario and be part of this rotating package.

Hon. Miss Stephenson: It is organized and administered by ODA.

Hon. Mr. Bernier: Yes. I must say the co-operation my ministry has had from the Ontario Dental Association has been most encouraging. John Gillies, the executive director, has gone out of his way to try to answer those specific needs and problems in northern Ontario through his good offices. I feel very confident that if we have a problem with dentistry in northern Ontario we can get advice and support from that organization. In my opinion, it is extremely sensitive to those needs up in the north.

The member also mentioned the high-cost-of-living study, which is in final draft preparation. I mentioned a moment ago that we will be reviewing the recommendations later this summer, but I have to caution the members that there are no simple solutions to those problems north of the 50th parallel.

I might say we are sharing and reviewing our findings with other provinces, and it was interesting to note that Alberta was very anxious to learn what we are trying to do with regard to the high cost of living. This is a matter that will be discussed at the northern affairs ministers' conference, to be held in Prince Albert, Saskatchewan, in mid-September. It is one of the items on the agenda for discussion.

The member mentioned subsidization of urban transportation in southern Ontario, and I agree. I want to remind him, however, we subsidize the airports that are developed in those remote communities. We also subsidize the winter roads program. Members may be interested to know that we have written to those Indian communities and asked them to submit to us a band council resolution by August 1 of this year, indicating their desire for a winter road program for at least three years in advance. I do not know if the member followed the results of this year's winter road program, but it did not get off the ground until January.

Mr. Stokes: Windigo transportation.

Hon. Mr. Bernier: Windigo, yes. We have had our problems because of the lateness in getting the band council resolutions and requests from the Indian bands. In the northern Ontario resources transportation committee meetings

we had some representations from the Ministry of Natural Resources, the Ministry of Transportation and Communications and our own Ministry of Northern Affairs, and it was unanimous that we should ask for a three-year band council resolution whereby we could encourage better operators, who would in turn purchase better equipment, which would add some length and life to a very difficult and expensive program in the north.

Mr. Stokes: It's hard on the bulldozers.

Hon. Mr. Bernier: Yes.

We have also written the various bands to bring to their attention the federal work incentive program as it relates to Indian bands, because the federal government shortly will be announcing a very extensive program to create jobs on or in association with the reserves. We felt they might want to consider using those funds to clear road rights of way on land to keep our winter roads programs off the lakes and put them back on the land. We have sent that out as a suggestion, and I hope the response is positive.

In his windup, the member mentioned the efforts of Northern Affairs officers and their service to the people of northern Ontario. I do not want to miss the opportunity to compliment our staff, not only Northern Affairs officers but all those 70 per cent of our ministry staff who are in northern Ontario looking after the needs of the north. They are all very sensitive; I think it is fair to say that they know the problems and how to deal with them.

The member correctly pointed out that many of those problems are federal. We have determined that 30 to 35 per cent of the work of a Northern Affairs officer deals directly with a federal program or programs. We have taken the advice of our Northern Affairs officers and we meet regularly to get their feedback on how they should or could improve their programs. This is passed on to the federal authorities. I have not seen any massive changes, but we do not miss an opportunity to pass that information on to them because it certainly makes our work a lot easier.

In fact, I had given some thought at one time to assessing the cost to provincial taxpayers of delivering federal programs. Maybe we should charge the federal government for the delivery of these programs and in turn use those funds to put more Northern Affairs officers in northern Ontario. We have not gotten around to that yet, but I think it is a real possibility.

We do not want to cut off our servicing of the federal requirements, and we never will, because

it is just too frustrating to be in a small community in northern Ontario and have no place to go. Granted, when the members are there they can look after those problems, but they are down here doing their legislative duty and cannot be at home. Sure, our constituency officers are handling a lot of those problems; but our Northern Affairs officers do likewise and through their excellent communications and their telex system they are able to respond very quickly.

I appreciated the member's recognition of our efforts in the comments we made to the Ontario Energy Board on the proposal submitted by Ontario Hydro to change the hydro rate structure to a seasonal basis. We have signalled our concern to the Ontario Energy Board, and we hope they will recognize that there may be some detrimental effect on those living north of the 50th parallel. We have asked them to take this into consideration in their assessment of that presentation by Ontario Hydro.

5:30 p.m.

As the member for Lake Nipigon has pointed out, this is a role we should be taking and we are glad to take that role. It is an advocacy role, one that has results. It is fair to say we do get a response sometimes—not all the time, but we never fail to go back the second or third time if that is necessary. I share your feelings that in the future we will be much more aggressive than we have been in the past in these areas.

You questioned the efforts of my parliamentary assistant. I am most pleased to have the member for Fort William (Mr. Hennessy) as my parliamentary assistant and nobody in this House can question his efforts on behalf of his riding or the people of northern Ontario. He is extremely knowledgeable.

Mr. Stokes: I am glad he condescended to join us.

Hon. Mr. Bernier: I did not even know he was here.

Mr. Hennessy: The next time you have trouble in Schreiber I'll help you.

Hon. Mr. Bernier: There is nobody more sensitive and more knowledgeable of the problems of northern Ontario, or more anxious to help in solving those problems. He has taken a burden off my shoulders on many occasions when I have not been able to attend certain meetings and events or deliver certain messages. He has done that very willingly.

It is fair to say we have a working relationship like I had with the member for Algoma-

Manitoulin. The sensitivity among northern members is a little different. It is unique to the north. It is a pleasure to have him work with us and I assure you he more than earns his \$6,500. I should be giving him twice as much as he gets, if I could, because he does it with class. He is a credit not only to this government but to this ministry. I am pleased to have him with us.

I have touched on most of the points the members have brought forward in their opening statements. As we go through the vote by vote I hope we can open up. In the past I have not kept the discussion or the debate to specific votes. I do not know if that is the way you want it to go. I like a free-wheeling debate because it makes it easier that way.

I will ask my new deputy minister and whoever he wants to bring with him, perhaps— Mr. Tiemann, who is head of the financial division—to come forward. We will be answering your questions. We welcome them and any constructive advice or criticism you can bring forward is welcome too.

On vote 701, ministry administration program; item 1, main office:

Mr. Van Horne: Mr. Chairman, I would like to go back to page 10 of our briefing book if I can. The goals of the ministry are spelled out on that page. This is an appropriate place to go back to our opening statements to clear up any uncertainties that came out of them and, in a sense, provide a rebuttal to the rebuttal and tie that in with this first vote, even though the minister indicated he did not mind if we wandered a little.

The first goal suggested under the ministry administration program is, "To provide executive direction, administrative resources and support services to enable the ministry to fulfil its mandate in northern Ontario."

Seeing that, I can appreciate the minister's rather strong feelings about the study he claims I did not know about or that I had not read, that is *The Atikokan Story*. I could have interrupted him on Friday to wave the book in front of him and to point out the sections I had underlined, but I do not know that would have done anything but provoke the minister to go on for another 10 or 15 minutes.

I can appreciate his strong feelings for this document because there are 15 recommendations related specifically to the provincial government. I would suggest that some of these have not yet been acted upon. I would like it if the minister or his staff could take a few moments, identify and run through those 15 and

tell us where they have actually done work on those 15 recommendations. In doing so, that could tie in with the second point in the goals statement of the briefing booklet, that the minister should be involved in prioritizing. I would like to see, in acting on all or some of those 15 recommendations, what the priorities have been. Perhaps there could be some statement about the priority process and the mandate of the Ministry of Northern Affairs.

The third point is to carry out effective advocacy on behalf of the people of the north. If we are dealing with the specifics of the budget I would have to ask how much of an advocate he has been in allowing the licence fee to take the rather marked jump it is going to take when we see these new fees come into effect.

Further, I would ask what role of advocacy he is playing in terms of the theme that all three of us hit on both Friday and today, that is the theme of the northern referral centres. I do not think anyone in this House, or anyone in northern Ontario, would quarrel with the need for the minister to act as an advocate here and to intercede with the Ministry of Health, and do something more than just talk about providing full service for northern Ontario.

I might add, as an aside, the minister was rather critical of some of the language I used on Friday. He said the people in northern Ontario do not like to be told they live in fear. I talk to many people in the north. If they are in a remote area with a young child who requires medical attention and they are not sure they can get, not just to the local doctor but from the local doctor to a centre such as Sudbury or Sault Ste. Marie—many hundreds of miles away in some cases—there is an element of fear. One has to empathize with them.

They do not say to me, "You have everything at your fingertips in southern Ontario." They are not concerned about that. They have chosen the north, they have been part of it, and they want to have something close to them. Certainly there was no intent on my part to belittle a fear. Fear is a pretty natural part of all of our lives. If there is a person in this chamber who has not been frightened at some time I would like to know who that person is. I do not think there is anything wrong with fear, but I do think there is something wrong with a system that does not do anything to allay fears.

If he has a mandate to intercede and to be an advocate, I would encourage the minister to tell us a little bit more about the role he is playing with the Ministry of Health, beyond the air

ambulance service. For example, in talking with some of the doctors in our travels in Sudbury, Sault Ste. Marie and Timmins, a noticeable number of those people had grown up in the north, taken their training here in southern Ontario at Queen's University, the University of Toronto or the University of Western Ontario, and then had gone back north.

Some of them commented there was precious little encouragement at the grade 12 and 13 stage of their lives to proceed into a career like that and to go back north. Their decision to go into medicine, in most cases I think, was made fairly early, but the decision to go back north was not one that they consciously made or chose to ignore one way or the other. Most of them said they did not think about where they were going to try to practise at the time of entry to university. When questioned about the role of high schools in encouraging people from the north to pursue medicine and then go back north they had no answers. They just did not know. I submit to the minister that may be an area where he can use his influence with the Ministry of Education.

In monitoring, the next point in his goals, the minister is supposed to be developing appropriate policies and recommendations for the ministry and for government consideration, and also to monitor them. I would like to know what monitoring process you follow. Is this a happenstance monitoring? Do you monitor each program with a specific set of goals in mind? Is this management by objectives? Just what are you doing in terms of monitoring programs other than counting on the handwritten or verbal reports of the handful of officers when you meet with them once a year or with a handful of your senior ministry people? How do you monitor your programs?

5:40 p.m.

I will move along to one other point found on page 10 of our briefing book. The book indicates that one of your roles is to ensure ministry compliance with statutes and regulations. I am wondering about recommendation 15 in The Atikokan Story. That item makes reference to camping on crown lands. Perhaps you could tie those two things in and tell me a little bit about the particular goal you have.

Having asked those questions on this vote I would like to ask a further question on the minister's salary. We were all told on the evening of the budget it would be held, as all members' salaries would be, to a six per cent increase. As I look at the salary stated in the

estimates of 1981-82 and then for the 1982-83 estimates I see a jump from \$21,000 to \$23,300, which is an increase of \$2,300 or 10.95 per cent. That is hardly six per cent. The parliamentary assistant's salary rises from \$6,500 to \$7,200, an increase of \$700 or 10.77 per cent. I am sure these will be revised downward if, as we understood the Treasurer (Mr. F. S. Miller) to say, all our incomes will be held to that six per cent level. Perhaps you could give us an indication about the accuracy of those numbers.

Hon. Mr. Bernier: Mr. Chairman, in answer to the honourable member's request for specific responses to the 15 recommendations in The Atikokan Story, I will have to get that for him. We will have it before the estimates are complete.

As to specific actions on those 15 recommendations, we are following up on a number of them with the Atikokan people, with the industrial development committee and a number of groups in Atikokan. But I will get those specifics and pass them on to the honourable member.

Mr. Stokes: He just wanted to let you know that he had read The Atikokan Story because on Friday you accused him of not having read it.

Hon. Mr. Bernier: Right. The member also made some mention of the increased automobile registration fees that will be imposed next year by the Treasurer through the Ministry of Transportation and Communications. He wanted to know what advocacy role I played in that decision. I was involved with the Minister of Transportation and Communications and the Treasurer, looking at that new thrust—a new registration system that will see the registration plate tied to the owner and not the automobile.

Because of the new computerized system and the new system of renewal on birthdates, and because the Treasurer was looking for not large increases of funds but some increases in funding, we felt that the 48-24 split was one that was fair and reasonable. There are people in southern Ontario who are still paying 100 per cent more than those of us in northern Ontario and I can assure you that is being accepted in northern Ontario as fair and reasonable.

Mr. Stokes: I will pay their registration if they will pay my gas bills. Is that fair?

Hon. Mr. Bernier: I can assure you the gas prices are not that different in the urban areas of northern Ontario as compared to some of the urban areas in southern Ontario.

Mr. Stokes: Try buying it in Schreiber.

Hon. Mr. Bernier: You are being specific now. I will not bite on that one.

The member also referred to the efforts we are making in the development of northern referral centres and I appreciated that comment. I know he shares the view of my colleague from Lake Nipigon.

We are very much involved in establishing government policy and programs. As I mentioned in my opening remarks, as Minister of Northern Affairs I am involved in the three policy fields of cabinet. I am a member of the cabinet committee on native affairs, a member of the bicentennial committee and a member of Management Board of Cabinet. I am also a member of the Board of Industrial Leadership Development. That takes in a broad scope of government policy and planning programs.

Not only do I monitor those from my position as a member of cabinet, but along with my deputy and two assistant deputy minister, my staff who are located in northern Ontario also monitor all those cabinet submissions very closely. I think it is fair to say we are one ministry that really has a finger on the pulse of all the submissions that flow through to cabinet. That is a sensitivity that we have as a specific and unique ministry in this government.

I am told the salary, \$23,300, is the current salary for this year as announced last year. It does not include the six per cent. That is the salary that was announced or agreed to some time ago, effective April 1, 1981. So it has been in place for a year.

Mr. Van Horne: Mr. Chairman, I am confused. I understood the briefing book to indicate the \$23,300 was for the fiscal year 1982-83, which should mean that it came into play as of April 1. Let us go back to basics. Whatever it is now, how much will it be increased under this budget we are dealing with?

Mr. Stokes: The Legislature will tell him that.

Hon. Mr. Bernier: That is right. When it comes here it has all been approved by the Legislature.

Mr. Stokes: Unless the Legislature takes some action it will not be anything, not even the six per cent.

Mr. Van Horne: We are playing games with words and procedures here. What is the difference between—

Mr. Stokes: He does not set the salary. This assembly does under the Legislative Assembly Act.

Mr. Van Horne: The member for Lake Nipigon tells me something I think we all know. What I

want to know is, does the six per cent limitation, which is supposed to be applied to members, also apply to the minister's salary and to the parliamentary assistant's salary?

Hon. Mr. Bernier: I do not think that decision has even been made. I think there was a reference in the budget speech to members' salaries. I do not recall and am not aware of any discussion that reflected on increasing ministers' salaries.

Mr. Van Horne: That is a revelation for some people. Let me ask one other question regarding the figures we have for the administrative program.

The analysis and planning section: 1981-82 estimates indicate \$952,000; 1982-83, \$1.613 million, an increase of \$661,000. Even if one subtracts from that \$253,000 for administrative support for main office—and I am not sure it is fair to subtract that; if it is not subtracted there is an increase of 69.43 per cent; if it is there is an increase of 42.86 per cent. What are we getting for that analysis and planning dollar that is being spent and why the big increase?

5:50 p.m.

Hon. Mr. Bernier: Much of this is made up of the improvements to our system as that relates to a word processing function that was installed this year. The affirmative action program took up \$20,000, the audit co-ordinator was \$45,000 and some salary awards came to \$67,800.

Mr. Van Horne: Can we get a copy of that or is it available?

Hon. Mr. Bernier: Sure; we can give you a copy of this.

Mr. Van Horne: One final question on the same page: I thought I had asked all the questions, but I have another concern here. It is on the legal services, which is a new activity. How was that provided in the preceding years? Was that tacked on to another ministry? Were you using some kind of slush fund to buy outside services or is what we are getting now the cost of a lawyer or lawyers within the ministry?

I will tell you the reason I ask. On the Order Paper two years ago, I put a question to the government wondering what was spent for outside legal services in the years 1978 and 1979, I believe it was. The response came back that, in addition to the various lawyers who are working for the various ministries on a direct line base, the outside services cost in the neighbourhood of \$8.5 million over two years. That is a large chunk of dough. What I would like to know is,

what is this \$73,000? Did you have any service in preceding years paid for by another ministry?

Hon. Mr. Bernier: The \$73,000 which the member made reference to is a new activity. Up to this point we have had the services of a legal person provided by the Ministry of Municipal Affairs and Housing. In other words, the lawyer formerly was in that ministry and doing our work for us. We in turn would fund a journal entry to the Ministry of Housing. Now that individual has been transferred to our ministry and is full time in our ministry so it is obvious we should show him now as part of our operation. That is his operation, one legal person operating solely for our ministry.

Mr. Van Horne: It is essentially one person's salary.

Hon. Mr. Bernier: One person, yes. There is transportation, which we estimate at \$8,000; his service is \$63,000; and supplies and equipment are \$2,000, for a total of \$73,000.

Ms. Bryden: While we are discussing general policy and before we get into a lot of detail, I want to go back to the wild rice policy the minister dealt with at some length. I know my colleague the member for Lake Nipigon also dealt with it.

I thought it would be useful for the minister to realize that southern Ontario members are also very concerned about what is happening in this field. We are also concerned that we get the maximum benefit from our wild rice fields for the province and people of Ontario. But we also think we must get the maximum benefit from the wild rice fields for the native peoples. I think that is the bottom line on this crop because it has been a traditional crop for the native peoples for many years.

I would like to remind the minister of the Premier's (Mr. Davis) commitment in May 1978 that his government would extend its efforts "to establish wild rice production as a viable economic base for the Indian people." I am sure the minister recalls the Premier also put in his statement of May 1978 what might be called "weasel words" which limited that commitment. He said:

"No additional licences will be issued to non-Indians during the next five years unless it can be demonstrated to the tripartite working group that market potential for Ontario wild rice is sufficient to support an increased share of

production by non-Indians without jeopardizing our efforts to establish wild rice production as a viable economic base for the Indian people."

It looks to me as if the minister is now taking advantage of those weasel words put in by the Premier and deciding he does not have to extend the moratorium and he will open up fields. I want to know how he will judge whether opening additional fields to non-Indians will or will not jeopardize the efforts to establish wild rice production as a viable economic base for the Indian people. He has not given them a chance to show what they could do in the processing and marketing fields. He has not given them sufficient funds to get into these fields and, therefore, they do not know how many fields they will need or what kind of resources. Until he gives them that chance I do not think he can say their opportunity to develop a viable economic base from this resource will or will not be jeopardized.

In fact, in the last four years under the moratorium they have had various handicaps placed on them rather than assistance, such as the unstable water levels that resulted in very unstable yields. I gather they requested assistance for a mechanical harvester to collect seeding rice. They were told they could only have it for demonstrations. They also requested financial assistance for developing additional processing and to buy seed rice. They were told to go to the federal government.

Surely this is not giving a fair trial for what was intended by putting the moratorium on. I would like to ask that there be another five-year moratorium and, in that period, the native peoples in that area be given adequate funds to develop the fields they need and to develop processing and marketing facilities. Only then can the minister say he has kept faith with that commitment by the Premier to establish wild rice production as a viable economic base for the Indian people.

I have met with various groups in southern Ontario, such as the Ten Days for World Development group and the Grand Council Treaty 3 people. I read the briefs that were submitted to the Hartt commission on wild rice, and I certainly am convinced we must give the Indians this opportunity. This government must make sure they have this opportunity before they open up those fields to non-Indians.

The Acting Chairman (Mr. Robinson): I draw the minister's attention to the clock and ask if this would be a suitable time to recess unless his response is going to be very brief.

Hon. Mr. Bernier: My response will be lengthy.

The Acting Chairman: Then I would suggest

it might be appropriate to move it on to the next time slotted for your estimates.

On motion by Hon. Mr. Gregory the committee of supply reported progress.

The House recessed at 5:59 p.m.

CONTENTS

Monday May 31, 1982

Statements by the ministry

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:

Municipal job-creation program. 2128

Bernier, Hon. L., Minister of Northern Affairs:

Northern employment incentives program. 2129

Oral questions

Ramsay, Hon. R. H., Minister of Labour:

Inco dispute, Mr. Peterson, Mr. Haggerty. 2129

Workmen's compensation, Mr. Foulds, Mr. Wrye, Mr. Di Santo. 2133

Niagara nurses' dispute, Mr. Bradley. 2140

Welch, Hon. R. S., Minister of Energy:

Energy rates, Mr. Peterson, Mr. Swart, Mr. Kerrio. 2130

Hydro contracts, Mr. O'Neil. 2135

Tax burden, Mr. McKessock. 2137

Hydro expansion, Mr. Kerrio, Mr. MacDonald. 2138

Energy from waste project, Mr. MacDonald. 2138

Ashe, Hon. G. L., Minister of Revenue:

Tax on nonprofit organizations, Mr. Foulds, Mr. Peterson, Mr. Cooke. 2131

Walker, Hon. G. W., Minister of Industry and Trade:

Massey-Ferguson dividends, Mr. Nixon, Mr. Cooke. 2134

Taylor, Hon. G. W., Solicitor General:

OPP services, Mr. Wildman. 2135

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:

Upgrading of rental housing, Mr. Philip, Mr. Epp. 2136

Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:

Franco-Ontarian school trustees, Mr. Cassidy, Mr. Boudria. 2137

Snow, Hon. J. W., Minister of Transportation and Communications:

Omission from road map, Mr. J. A. Reed. 2139

Elgie, Hon. R. G., Minister of Consumer and Commercial Relations:

Gasoline credit card charge, Mr. Swart. 2140

Report

Standing committee on administration of justice, Mr. Treleaven, tabled. 2141

First reading

Gas Credit Card Payments Act, Bill 128, Mr. Swart, agreed to. 2141

Committee of supply

Estimates, Ministry of Northern Affairs, Mr. Stokes, Mr. Bernier, adjourned. 2141

Other business

Omission from road map , Mr. J. A. Reed.....	2127
Municipal election referendum , Mr. R. F. Johnston, Mr. Foulds, Mr. Breagh.....	2127
Education amendment bill , Mr. Grande.....	2128
Notice of dissatisfaction , Mr. Di Santo.....	2141
Recess	2166

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L., Minister of Revenue (Durham West PC)
Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)
Bernier, Hon. L., Minister of Northern Affairs (Kenora PC)
Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Breagh, M. J. (Oshawa NDP)
Bryden, M. H. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
Di Santo, O. (Downsview NDP)
Elgie, Hon. R. G., Minister of Consumer and Commercial Relations (York East PC)
Foulds, J. F. (Port Arthur NDP)
Hennessy, M. (Fort William PC)
Hodgson, W. (York North PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. G. (Niagara Falls L)
MacDonald, D. C. (York South NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
McKessock, R. (Grey L)
McMurtry, Hon. R. R., Attorney General (Eglinton PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
O'Neil, H. P. (Quinte L)
Peterson, D. R. (London Centre L)
Philip, E. T. (Etobicoke NDP)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Reed, J. A. (Halton-Burlington L)
Robinson, A. M. Acting Chairman (Scarborough-Ellesmere PC)
Ruston, R. F. (Essex North L)
Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Stokes, J. E. (Lake Nipigon NDP)
Swart, M. L. (Welland-Thorold NDP)
Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)
Turner, Hon. J. M., Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Walker, Hon. G. W., Minister of Industry and Trade (London South PC)
Welch, Hon. R. S., Minister of Energy (Brock PC)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)



Ontario. *LEGISLATIVE ASSEMBLY*

No. 61

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Monday, May 31, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, May 31, 1982

The House resumed at 8 p.m.

CITY OF TORONTO ACT

Mr. Hodgson moved, on behalf of Ms. Fish, second reading of Bill Pr3, An Act respecting the City of Toronto, 1982.

Mr. Ruston: Mr. Speaker, we should wait until the member for St. George (Ms. Fish) gets here.

Mr. Speaker: Yes, we should but—

Mr. Epp: Mr. Speaker, on a point of order: In deference to the member for St. George it is my feeling we should wait for her to address this bill. She has obviously been held up at dinner. We should go on with another bill so that we can hear her words of wisdom with respect to this. She felt very strongly about it. We would very much like to hear her words of wisdom on it.

Mr. Speaker: With all respect and for the information of the honourable member, I point out it is not my responsibility to ensure attendance in this House. Everybody knows the time the House resumes and that time has arrived.

Hon. Mr. Gregory: Mr. Speaker, on a point of order: It is not unusual, as the honourable member knows, for someone to substitute in moving second and even third reading of a private bill. This is what we are doing. The order has been set up and was on the desk of every member during the day so it would not come as a surprise to any member that we were going to move second reading of this bill.

Mr. McClellan: Not knowing who has the carriage of the bill does create certain difficulties for us.

Mr. Rotenberg: I do.

Mr. McClellan: There seem to be a number of people who may or may not have the carriage of the bill. I hope if the acting House leader is here with somebody who has the carriage of the bill, that person would introduce the bill and make the introductory remarks on second reading and be prepared to answer some questions when we move into committee. I also understand that the government does have amendments, which may not be correct. It is a little difficult when the opposition parties do not know who is on first.

Hon. Mr. Eaton: I've seen you fellows bring in private bills and never speak to them once.

Hon. Mr. Gregory: It is in order for someone else to move second reading of a bill, which has been done by the member for York North (Mr. Hodgson) and I think the member should not worry. We will have someone to carry this. If it is moved into committee, it will be carried and I believe represented by the member for Wilson Heights (Mr. Rotenberg).

I believe the bill has been moved for second reading, Mr. Speaker.

Mr. Speaker: It has indeed. Is it the pleasure of the House the motion carry?

Motion agreed to.

Interjections.

Mr. Speaker: We cannot wait a minute. The motion has been put.

Mr. Foulds: Do we have agreement on that?

Mr. Lane: It has carried.

Hon. Mr. Eaton: Do you want to talk about the bill or not?

Mr. Barlow: If you have something to say, say it.

Mr. Rotenberg: On a point of order: We know we don't debate second reading of private members' bills.

Mr. Speaker: Order. Would you resume your seat? The question, with all respect, has been put.

Mr. Epp: On a point of order: We were led to understand the member for North York was introducing the bill, but that the member for Wilson Heights was to carry the bill and had a statement to make with respect to it. We were waiting for that member to make a statement and it was our intention to hear him out.

Mr. Speaker, I would appeal to your sense of fairness to permit the member for Wilson Heights to make a statement. With your putting the order very quickly, he never had a chance to make that statement. We were led to believe he was going to make that statement.

Mr. Speaker: As you know, I am not privy to whatever arrangements may have been made. There was a lot of discussion, which was completely out of order, but there was a lot of discussion

prior to my putting the question. Everybody had ample time and certainly everybody knew what the question was. There is nothing out of order.

Mr. Epp: Well, the whip said he was carrying the bill.

Mr. Speaker: That is not my responsibility, with all respect.

Mr. Rotenberg: Mr. Speaker, on a point of order: On private members' bills, it has been normal practice that there are no speeches on second reading. They carry and then we may go into committee of the whole. It was my intention not to speak on second reading, but to move this into committee of the whole. Later in the evening it will be in committee of the whole, at which time I will be answering any questions and making a presentation.

Mr. Foulds: On a point of order, Mr. Speaker.

Mr. Speaker: With all respect, there is really no point of order.

Mr. Foulds: There will be. I put it to you that the honourable member—

Hon. Mr. Gregory: There is a motion.

Mr. Speaker: Order. The question has been put.

Hon. Mr. Eaton: And carried.

Mr. Speaker: Now I am waiting for somebody to give me some idea what the disposal of this bill will be.

Ordered for committee of the whole House.

CITY OF MISSISSAUGA ACT

Mr. Rotenberg moved, on behalf of Mr. Kennedy, second reading of Bill Pr7, An Act respecting the City of Mississauga.

Mr. McKessock: Mr. Speaker, I rise in support of Bill Pr7, An Act respecting the City of Mississauga.

I attended when this bill came before the committee and the council of Mississauga came in to speak on it. We agree that council should be able to pass bylaws pertaining to dog control, barbed wire fencing, parking and places of amusement.

In regard to clause 1(a)(i) of the bill, that a dog should be controlled unless it is on the owner's property, or on land of a neighbour who has allowed the dog to be there, and in regard to subsection 1(b) which I think is commonly called the poop and scoop law where one cannot allow a dog to mess around in the city, I think council should certainly be able to have control over those dogs and to see that it is the responsibility of the owner to clean up the act of

a dog if it has been leaving things on the street, which dogs have a habit of doing.

They should also have the right to control barbed wire fencing. Barbed wire fencing is good enough fencing in the country and is used quite extensively. I am quite familiar with barbed wire. I feel the council should have control. If the farms are close enough to the city that it could be dangerous to children, it should have the power to keep them from using barbed wire.

I am quite familiar with barbed wire. I have been cut with it myself. I know it can be a dangerous way of fencing, but in the right place it can be good fencing. We have no hesitation in supporting that section to allow them to control barbed wire.

As for parking on the street for large trucks, I see no reason why those trucks should not be controlled. I understood from the council when it came in that it was not going to keep them off the streets altogether. It would allow them to park for a reasonable amount of time, but if they were going to stay overnight or several days at a time, it did not want this to happen.

As to controlling places of amusement and fees, we see no problem with allowing the council to have control to run these facilities or set the fees the way it sees fit.

With those few words we support this bill on second reading.

Motion agreed to.

Ordered for committee of the whole House.

8:10 p.m.

DISTRICT MUNICIPALITY OF MUSKOKA AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 9, An Act to amend the District Municipality of Muskoka Act.

Mr. Speaker: The member for Waterloo North.

Mr. Epp: Mr. Speaker, has the—

Mr. Speaker: The member for Wilson Heights. Sorry.

Mr. Epp: Oh, he does want to talk.

Mr. Speaker: An opening statement.

Mr. Rotenberg: Mr. Speaker, as I indicated a moment ago, it has been the normal practice in this House, although it is certainly not in the rule book, that we do not talk on second readings of private bills, but on government legislation we do.

Bill 9, An Act to amend the District Municipality of Muskoka Act, is almost the same as Bill 172, which was given first reading on November 23 last year but died when the House prorogued in December. The main purpose of the bill is to alter the method of selecting the council of the district municipality of Muskoka.

As at present, the mayors of the six area municipalities will be members of the district council. All other members of the district council will be elected directly either from wards or from an entire area municipality. All of the district councillors so elected will also be members of their particular area municipal councils. Neither the number of representatives from each area municipality on the district council, nor the total number of members on the district council, will be altered by this proposed legislation.

We are making several minor changes to the provisions of the act that was before us last fall. The first is that the town of Gravenhurst's three members on the district council will be elected from the entire area municipality rather than from wards, as suggested in Bill 172. This change has been requested by the Gravenhurst council and is supported by the district council.

The second change from last year's bill is that the clerk of Muskoka Lakes township will have until July 1 of this year instead of April 1 to inform the assessment commissioner of the boundaries of the township's polling subdivisions. This is being done to avoid problems for the clerk because the existing nine wards in Muskoka Lakes are being reorganized into three new wards. I point out that this change in the method of selecting the members of the district council has been endorsed by the district council of Muskoka, and, in effect, we are acceding to their request.

This bill also makes several other minor amendments that will be in other regional legislation coming forward later in this session. These include a method of changing the status of area municipalities, provisions for resignation and for disqualification of district councillors and a change in the term of debentures.

Mr. Speaker, I would commend this bill to the House.

Mr. Epp: Mr. Speaker, I am pleased to be able to speak to this bill because it is somewhat important, particularly for the Muskoka area. Those members who have travelled in Muskoka, as I am sure everybody here has, realize that

it is one of the nicer parts of the province, aside from Waterloo county.

[Applause]

Mr. Epp: I see I have some supporters for that comment even on the government side of the House.

Quite seriously, we have a lot of nice areas in the province, and Muskoka certainly is one of the nicer ones. Many of us have vacationed in that area, and we appreciate the hospitality that the fine citizens of the area offer to the citizens of the province and the country, and to other North Americans who have cottages there.

We also realize that when Muskoka makes certain requests of this Legislature they often are able to have them acted on more quickly than do other parts of the province, and I am sure it is no coincidence—and I am sure you will appreciate this, Mr. Speaker—that the Treasurer (Mr. F. S. Miller) of this province happens to come from that fine area. When he has certain requests, he just lets the member for Brock (Mr. Welch) know about these things, sometimes he even has conversations with the Premier (Mr. Davis) and they just sail right through. I am told he even wanted to exempt Muskoka from all the new sales taxes, but that is one item on which he failed.

We know that the district form of government wrought in this area some time ago established a greater bureaucracy. The parliamentary assistant will take strong objections to my comments, probably, but essentially there is regional government in that district. I spoke to three leading members of the community, and asked, "How do you perceive the difference between a district government, which you have in Muskoka, and the regional governments which have been wrought on areas such as Ottawa, Haldimand-Norfolk, Niagara, Hamilton, Waterloo, York, Peel and Durham?" The man who answered said, "I do not see any difference whatsoever. It must be very subtle indeed."

Mr. Hodgson: On a point of privilege, Mr. Speaker: The member is saying that regional government was wrought on York. York county asked for regional government, unanimously, back in 1969. Do not ever forget that.

Mr. Epp: I appreciate the comments from the member for York North. I presume he will take advantage of the opportunity that is given to him in this debate tonight to speak at length about the difference between the district of Muskoka and the regional government of York,

and to point out the various differences which exist between those two municipalities.

Mr. Hodgson: I speak for the people of York, not Muskoka.

Mr. Epp: Nevertheless, it was wrought on most of the people in Ontario. The member for York North will probably agree with me that if we had had a plebiscite, or a referendum of sorts, when regional government was brought in, it would have been heavily outvoted and some kind of—

Mr. Hodgson: I do not think the people knew any more about it than the Liberals.

Mr. Kerrio: They did have a plebiscite. They bounced all the Tories out of those areas.

Mr. Epp: That is right, most of them anyway.

I was just trying to be accurate. I appreciate the honourable member's comments. York is probably an island in the province where some of the people were in favour of regional government. I can assure the member that was an isolated case. Certainly in Waterloo, Hamilton—

Mr. Speaker: Now back to the bill, please.

Mr. Epp: We are speaking about a form of regional government, Mr. Speaker, and I am right on topic.

Certainly people in the other areas were not too enthralled with the idea of having that form of government.

We are told by the parliamentary assistant and by the descriptions in the bill, as those who have had an opportunity to read the bill will know, that we are going to have direct election in Muskoka. In consulting with a number of people in that fine area, I have found that although a good number of people are supportive of that particular point, some of them are opposed to it.

If there is to be direct election, I feel we should go one step further, because the government said: "This principle is great until you get to the chairman of the region. He does not have to be elected." Somehow or other he has God-given powers.

The first chairmen of each region were appointed directly by the province for a period of three years. The wisdom that chairmen have, even if they are subsequent chairmen and not Conservatives as all the first chairmen were, comes from some God-given powers and they should not be elected by the electorate. They should be elected only by the people who are in that particular horseshoe or council.

We on this side of the House are strongly in favour of democracy and feel that the chairman,

although he is not elected at large, should at least represent some constituency, some ward or whatever, which represents a given area and a number of people in that particular municipality.

We can understand if one carries this principle to the region of Toronto, or Waterloo or Hamilton—and, Mr. Speaker, your area of Peterborough has not been blessed with regional government, and you can thank your lucky stars for that. We all know the former Premier of this province wanted regional government but he did not want it in London. We know that a former Treasurer of this province wanted regional government, but he did not want it in Chatham—
8:20 p.m.

Mr. Haggerty: Everywhere in the province but Chatham.

Mr. Epp: So there are some kinds of differences here. Nevertheless those are facts and nobody has been able to explain them to us yet, but maybe some day, about the year 2010, we shall get the explanation.

Mr. Eakins: Stay out of the former Premier's areas.

Mr. Epp: We shall be introducing an amendment to this bill when it comes up in committee, so that true representation is given to the chairman of the region. We think the chairman is an important person and that he should represent some elected area. Otherwise he is at a disadvantage. We really believe strongly in democracy, to the point of having chairmen of regions elected; just as the Premier of this province represents a riding and the Prime Minister of this country represents a riding. Let us legitimize them.

Mr. Breagh: Mr. Speaker, I rise to oppose the legislation before us. I think it needs an explanation. Normally, as with a bill of this nature and, as a matter of fact, on first reading of the bill, it occurred to me that this was a normal adjustment to somebody's municipality, that there are several proposals in here that seem to be rather minor in nature. On talking to some people who are elected and others who live in the area, it seemed it had gone through the normal process. Proposals of this nature, in a weird way, almost by osmosis, go from Queen's Park to the local area and then back to Queen's Park. At the end of that process, supposedly, a consensus has been formed around any given issue or number of issues.

It seemed to me to be reasonably close to the truth to say that, on this side, a consensus has evolved uncomfortably and reluctantly. Some-

how there was a feeling that a consensus had to come; that some pain would be involved; that not everybody would be happy with it, and that in a couple of years, or maybe even a year from now, people would ask: "Why did we do that? What made us move towards those alterations?"

The district we are talking about here, the district of Muskoka, is one that, for some period now, has gone through a gut-wrenching change. In part it has not much to do, I suppose, with the structure of the local municipal government, but has to do with the area itself and its changing nature. That particular part of the province changes regularly in terms of population. During the course of the week it is usually considerably less than it is on the weekend, according to the season of the year, although that is changing.

It is a difficult area to govern, one that has had its problems during the last little while. As the previous member said, it is not really a region but it has a regional government, and is associated with all those difficulties experienced by everybody who lives in an area of Ontario that has a regional government.

It came down, on reflection, to looking at the kind of process at work here. Among the people I spoke to, almost all of them did not like one or two things in this particular bill. I guess the one that struck me as being most significant was that although it would seem to be a logical kind of academic exercise to rearrange the representation patterns as proposed in this legislation, in the end many people in the rural areas felt they were losing in some way, and they would not have the kind of local government they wanted. It might be rational and it might be academic and it might seem quite clearly on paper to be a reasonable way to proceed, but somewhere they had a gut feeling that the principle of this bill went against them.

I do not know what it was that twiggled in my own mind, but I suppose it was my experience in my own area, when this same process occurred. There had been ongoing discussion for some period over some fine tuning to local government, and then great planning discussions and great studies took place. When it got down to the mechanics of how the new region of Durham would be set up, somehow we all felt that, though we were generally supportive of the principles behind those changes, it had got away from us.

At the time, we said, "No." It reminded me of many of the people who were speaking to the principles that are in this bill, who felt that

somehow there are things wrong in Muskoka. Somehow local government is having difficulty dealing with this problem and the people who live in that area are having some difficulty relating to their closest level of government. In some magical way, though they have participated in this process, they all seem to wind up with a consensus which everyone agreed was flawed. There was a reluctance to jump on the bandwagon with this.

Perhaps those people in that area are just reflecting what many people in the public generally feel about government in total, which is that somehow it does not reflect what they want. They feel they do not understand the process, that it is too complex, that they are overgoverned, that local government has a difficult time responding and that, particularly in financial terms, it has a difficult time responding.

As I went through this exercise of trying to find out what people in Muskoka thought of this particular legislation, more and more unease about the changes came through. Even those who felt that they had to play a role in it, those who were elected or people who were leaders in their community and had to participate in the process, expressed that same unease.

It seems to me, Mr. Speaker, that when one looks at redesigning, making changes to local government, that unease should not be there. If there are differences of opinion they should be clear. People should be able to say at the end of an exercise such as this that on balance they are all satisfied that changes are as good as can be agreed upon.

They should be able to do that with a clear conscience. The process itself which lays out the principles that are in these changes, and there are a number of them, should result in a process which makes people feel good at the end. They should feel fulfilled. If they had their opportunity to state their objections and there were valid arguments pro and con, in the end the changes should reflect something which will improve the local situation. It is my opinion that the consensus on this bill was brought about reluctantly and that the problems are inherent. Some of them are not even addressed by this particular change.

So, Mr. Speaker, we will not support this legislation. We understand that we are probably running against the tide of normal affairs because the normal process did occur here. I guess what I am really saying is that in addition to being against some of the principles that are expressed

in this bill, we are very much against the principles about the way such acts are put together, and the way such consensuses are formed. We see some difficulties with that and I think that a year or two years from now there will be more people joining me in my opinion tonight that this bill is not going to do anybody any good. If that is the case, then it should not be supported.

Mr. Rotenberg: Mr. Speaker, really two points have been raised. The member for Waterloo North (Mr. Epp) has raised the point about the way the chairman of this particular district—and I assume he is applying the principle to others—is chosen. The honourable member has indicated that when we go into committee of the whole House he will be putting amendments to that. Rather than have the debate twice, I will comment on that when we hear the honourable member's argument on his amendments.

I assume the member for Oshawa (Mr. Braeugh) is talking about the main portion of the bill, which is about the way the members of the regional councils are being chosen. I point out that the regional council is virtually the same as in the previous legislation, except for one distinct difference: up until now, and in the present regional councils, the regional councils were chosen by the members of council. In other words, they were elected from their ward or municipality to the regional council by virtue of votes; then the local council selected those persons who went to the regional council. Each constituent municipality was allotted so many people on the regional council.

The totals on the regional council do not change. The only thing that has changed in this bill is that the members of the regional council, instead of being chosen by their fellow councillors, are being chosen by the electorate at large. This is a principle which I understand the third party has espoused from time to time in other municipalities. It is a principle they have wanted, and it is a principle we as a government and as a ministry have indicated is open by option to municipalities that request it.

8:30 p.m.

The district of Muskoka has asked that their members of council be elected directly; we therefore have allowed that request and are passing legislation at their request. This was done by two separate councils; it was done before the last election and then was ratified by the new council after the last election. I do not really know what the member for Oshawa is

complaining about in the process, but we are responding to what is a very legitimate request from an elected municipal council, and we feel that the request should be acceded to and that they should be allowed to have direct elections to their regional council.

Mr. Speaker, I hope the bill will pass.

Mr. Speaker: All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Ordered for committee of the whole House.

ONTARIO UNCONDITIONAL GRANTS AMENDMENT ACT

Mr. Rotenberg, on behalf of Hon. Mr. Bennett, moved second reading of Bill 28, An Act to amend the Ontario Unconditional Grants Act.

Mr. Rotenberg: Mr. Speaker, the main purpose of Bill 28 is to implement the 1982 unconditional grants and apportionment policies announced by the Minister of Municipal Affairs and Housing (Mr. Bennett) in January of this year at a meeting of the Association of Municipalities of Ontario.

In general, the bill proposes the following: It will increase the general per capita grant rate to \$11 for all municipalities; it is now between \$7 and \$9, according to the size of the municipality, and \$10 to regions. It also provides for paying the density per capita grant and police per capita grants, where applicable, directly to area municipalities. It will change the treatment of certain per capita grants and the apportionment of regional costs among area municipalities and will permit the payment of police per capita grants to municipalities that receive policing services by agreement from another municipality.

In a little more detail, the first proposed change affects the general per capita grant rate. Currently, nonregional municipalities receive general per capita grants at rates ranging between \$7 and \$9, according to the population of the municipality; regional municipalities now receive \$10 per capita. The change to \$11 will eliminate the difference in rates between regions and nonregions, simplifying the grants by eliminating the rate schedule and providing additional assistance aimed at smaller municipalities that are experiencing significant cost pressures.

The increase in the general per capita grants will range from 10 per cent for municipalities and regions to as high as 57 per cent for the very small municipalities outside regions. Currently,

the general per capita grant, the police per capita and the density per capita grants are paid directly to the upper tier and then subtracted from each area municipality's share of regional costs according to the amount received on behalf of each area municipality. The proposed amendment would allow the density per capita grant to be paid directly to the area municipalities.

Similarly, the police per capita grant to regional areas without police forces would also be paid directly to the municipalities providing the services. In the Ottawa region, for example, where each municipality has its own police force, each would get its own per capita police grant on the per capita basis. This also affects the county of Oxford. The rest of the per capita grants would continue to be paid to the upper tier but would be treated as general revenue of the region.

These changes are being proposed to promote a common-level upper-tier mill rate across each region. I stress that there will be no shifts in the tax burden in so far as individual ratepayers are concerned; the total tax bill for lower- and upper-tier purposes will not vary as a result of these changes. Those regional and district municipalities that apportion their upper-tier costs by using their own formula, as is currently the case in Metropolitan Toronto, Peel and Muskoka, may continue to allocate the per capita grants they receive to the area municipalities in the manner used in the past.

The final change contained in the bill will allow for the payment of police per capita grants to municipalities that receive policing services by agreement from another municipality. At this time, at least one of these types of arrangements exists, and several other municipalities have expressed an interest in entering into similar agreements.

In summary, the measures contained in the bill not only will help to ensure the economic viability of all municipalities in Ontario but will also further simplify the unconditional grants program for regions and nonregions alike. The changes, I might add, have received support from the Association of Municipalities of Ontario.

Mr. Epp: Mr. Speaker, I am pleased to speak to this bill. From the outset, we should indicate that this bill comes before the House every year with some minor amendments. Every year the general dissatisfaction expressed from this side of the House, which echoes the dissatisfaction expressed by the 835 municipalities of the

province, is made without any real response from the government.

I must remind you, Mr. Speaker, of what the member for Wilson Heights (Mr. Rotenberg) said with respect to Bill 9, dealing with the district municipality of Muskoka, and he said it on more than one occasion: "This is exactly what that municipality asked for and therefore we are giving it to them because they asked for it." Then we find that in a bill such as Bill 28, dealing with the unconditional grants to this province, almost everything municipalities have asked for, the government refuses to give them.

Just for the record, let me introduce some of the comments made by the Association of Municipalities of Ontario, following the announcement by the Minister of Municipal Affairs and Housing with respect to transfer payments. They are as follows:

"In response to the provincial government's announcement on January 28, 1982, that municipalities will receive an average 10.5 per cent increase over the amount budgeted for municipalities in 1981, the Association of Municipalities of Ontario wishes to indicate that while the need for fiscal restraint is well understood, it must be emphasized that municipalities are facing costs that will rise at a level at least equal to inflation, which is currently approaching 13 per cent. This will mean that municipalities will be compelled to either reduce services and programs or increase tax levies at a rate greater than the current rate of inflation if present service levels are to be maintained.

"The association is disturbed that once again the provincial government paid little heed to the municipal budgeting timetable when making the transfer payment announcement. This, of course, means municipalities that are already involved in their budgeting process must do so in the total absence of any knowledge of provincial transfers which form an essential component of municipal revenues. This recurring problem is one that the provincial government should take immediate steps to resolve.

"The association is extremely disappointed at the lack of information on specific allocations that accompanied the transfer payment announcement. In order for municipalities to prepare their budgets in an effective and efficient manner, detailed information through a comprehensive breakdown of the allocations by program is required and was expected at the announcement, as has been the case in previous years. There was, for example, no indication of even an inflationary increase with respect to the

general welfare assistance payment. Thus, municipalities can only guess at the amount they must budget and incur a serious risk of budgetary deficit.

"In the past, the association has enjoyed the opportunity of participating in confidential preannouncement discussions with the provincial government and urges that this process be reinstated next year. Early municipal input means that many problems can be resolved before being incorporated into government policy."

Then they go on to say: "With regard to the police per capita payment, the association finds it unacceptable that the government chose not to transfer additional funding for municipalities providing police services and, further, took no action to remove the discrepancy between payments for regional police and lower-tier police, each of whom bears similar costs. The need for additional funding of police costs has become crucial in light of recent arbitration awards over which municipalities have no control and which have the effect of inflating police salaries far in excess of inflation rates. This in turn results in other municipal staff demanding similar increases. These increases often do not relate to wages in that area or to the municipality's ability to pay."

8:40 p.m.

I particularly want to address my remarks this evening to the differential in police grants to municipalities in nonregions and those that are incorporated in regions, with the exception of the region of Ottawa-Carleton. When we look at some of the figures that have been provided to us, we find there are three essential things we should look at when we address this topic.

First of all, the grants to regional or area municipalities as proposed in this legislation again show a differential of \$5. In other words, if one is in a nonregional area, again with the exception of Ottawa-Carleton, one does not have to have the same kind of policing. Somehow or other, when people cross the border from a region to a nonregion, they do not commit the serious crimes they commit in these areas. That is what this is saying and therefore the local municipality, if it is in a nonregional area, does not need as much money to deal with police matters.

This has come about since the formation of regional government. If one is in an area that has a regional structure, it has more sophisticated crime and therefore needs more sophisticated police work.

The other point that should be made is that, although it is an unconditional grant, it is somewhat contradictory in itself because it says "unconditional police grant." Most municipalities direct it towards police purposes and regard it as such, and in most cases have to add additional funds to meet the needs of the people for security purposes in those areas.

Looking at some of the figures, we find that of the amount provided to the Metropolitan Toronto and regional municipalities at an annual rate of \$17 per capita, Metropolitan Toronto gets about 45.4 per cent in 1982-83, for a total of \$37,216,060; Durham gets about 5.7 per cent; Haldimand-Norfolk, 1.8 per cent; Halton, 5.2 per cent; Hamilton-Wentworth, 8.5 per cent; Niagara, 7.7 per cent; Peel, 10.1 per cent; Sudbury, 3.3 per cent; Waterloo, 6.4 per cent; and York, 5.4 per cent.

We find that the total for the Metropolitan Toronto government and the nine regional governments is \$80,532,757. That constitutes, if I remember correctly, something in the area of 72 per cent of the total amount given by the province for its unconditional police grant.

There are municipalities that are not regionalized, in addition to the municipalities in Ottawa-Carleton which are, that receive \$12 per capita; they are, for example, Vanier, Nepean, Gloucester, Rockcliffe Park and all the other cities such as Brantford. I see the member who represents Woodstock. He will be glad to know his municipality is not regarded as highly as Mississauga. I see the member from Mississauga who should feel quite proud that his municipality has \$17 per capita for policing purposes and the member who represents Woodstock only gets \$12 for his municipality.

Mr. Wildman: How do you justify that?

Mr. Eakins: There should be no difference.

An hon. member: What does Punkydoodle Corners get?

Mr. Epp: I do not know, but it probably gets 12 per cent if it is nonregionalized.

North Bay, for instance, got \$1,343,388 in 1981-82. For 1983, they will get \$1,348,728 because they are nonregionalized and therefore get only \$12 per capita, a shortfall of hundreds of thousands of dollars in this case. That is a considerable amount of money.

Mr. Speaker, you will appreciate that your area of Peterborough gets \$744,540 this year, again a shortfall of hundreds of thousands of dollars. If I were you, since they have short-changed you again, I would lobby strenuously

with the Treasurer (Mr. F. S. Miller) and the Minister of Municipal Affairs and Housing (Mr. Bennett) for some kind of fairness in this.

Where is Lindsay? It is not even mentioned. The member for Middlesex (Mr. Eaton) will be interested in knowing that London gets \$3 million—

Hon. Mr. Eaton: What about Strathroy?

Mr. Epp: Strathroy is not a city; so it is not listed here.

London gets \$3,174,588; again, it is severely short-changed by the province.

If we were to look at all the regional municipalities that get \$17 per capita as opposed to those municipalities that have to be satisfied with \$12 per capita, we find that it would take \$12.4 million to make up the difference. With a deficit of \$2.2 billion in a budget of \$22 billion, I see that not even the cancellation of the jet could make up the difference.

Hon. Mr. Eaton: You have spent that jet many times over.

Mr. Epp: Does the member want me to mention Suncor?

Hon. Mr. Eaton: You have spent that a few times, too.

Mr. Speaker: And now back to the bill.

Mr. Epp: Speaking to that point—

Mr. Speaker: Speak to the bill, please.

Mr. Epp: The member for Middlesex mentions the fact that I am spending Suncor over again—

Mr. Speaker: Order. I would rather hear you talk about the bill, please.

Mr. Epp: Speaking to the bill, I find this amount is included in the total budgetary expenses for this province of \$22 billion. If we include Suncor in that, that is about 40 times. So how many times did the government spend Suncor money?

The expenditures for the 98 other towns, villages or townships would be \$6,806,988. So there is a difference of \$12.4 million that the government should find just in the money they waste and that it might give to the municipalities to be spent wisely on police services, for example, which every law-abiding citizen of this province would prefer.

The regional grant of 1982-83 of \$17 per capita is only 1.8 per cent higher than it was in 1981-82, yet the costs for policing at a local level have increased much more than that. The police grant on a per capita basis for those municipalities receiving only \$12 on a per capita

basis has increased by only 0.8 per cent, less than one per cent, from 1981-82 to 1982-83.

With regard to the per capita grant, I think we should look at some of the comments being made by various people who are very knowledgeable about this, particularly in regard to a shortage of money that goes to nonregionalized municipalities.

For instance, the Association of Municipalities of Ontario said in one of its statements that "AMO supports the removal of the discrepancy in grant levels for regional and municipal police services."

The response of AMO to the provincial transfer payments announcement in 1982 states: "The association finds it unacceptable that the government chose not to transfer additional funding for municipalities providing police services and, further, took no action to remove the discrepancy between payments for regional police and lower-tier police, each of whom bear similar costs.

8:50 p.m.

"The need for additional funding of police costs has become crucial in the light of recent arbitrary awards over which municipalities have no control and which have the effect of inflating police salaries far in excess of inflation rates. This in turn results in other municipal staff demanding similar increases. These increases often do not relate to wages in that area or the municipality's ability to pay."

We then have to refer to a report of 1978, which was asked for by the Attorney General (Mr. McMurtry), entitled "Report of the Special Consultant on Police and Other Services to the Administration of Justice in Ontario." That report by Mr. Emil Pukacz, the consultant, gave a number of recommendations.

Mr. Eakins: What happened to that report? It is still on the shelf.

Mr. Wrye: Gathering dust.

Mr. Epp: I appreciate the comments of my colleagues, because there is a very important principle here. A consultant is hired and is led to believe that somebody is going to listen to his report; that the report is not just going to gather dust on the shelf. Yet we find, as with so many reports requested by this government, it is received, tabled in the Legislature and for the next five years the government defends why it is not implementing anything in that report. After that, the opposition gives up. The person who has written the report goes home with his well-earned salary and the public of Ontario is

short the \$50,000, \$100,000, or \$1 million spent to get the report.

I think it is important that we look at some of the comments of Mr. Pukacz with respect to police services in the province. He talks about "a very substantial inequity in the apportionment of the per capita grant on policing between regional municipalities with regional police forces and those municipalities whose municipal departments do not form part of regional police departments."

He says that exists and goes on to say:

"Inequities in the application of this grant become more obvious if we take into consideration the fact that most of the regional police departments are responsible for a mixed urban and rural policing, where the latter is much less expensive and requires fewer resources than the policing of the above-mentioned cities which, with minor exceptions, are responsible for policing dense urban populations."

Furthermore, he says, "The provincial financing of municipal police services by the present system of unconditional grants implies that the population of regional municipalities with a regional police force requires more police protection than that of cities, towns, townships or villages with their own police departments."

Just to digress from that for a moment, it seems to me this government underscores that feeling. As I indicated earlier, if one is in a region, one needs more money than if one is not in a region. Since increased grants came in simultaneously with regional government, one would think the government would hold off on this increase until there were regions right across the province. One can only suspect that is the case, because they do not try to equalize for nonregional areas.

Mr. Pukacz goes on to say, "This system of financial support to policing deprives the Solicitor General, who is ultimately responsible for the development, operations and control of law enforcement in the province from the equitable apportionment of financial resources according to the factual requirements of policing in various regions of the province."

He further recommends, "The existing inequities in the financing of municipal policing can only be rectified by three things: removing provincial financing of all policing in Ontario from the system of municipal unconditional grants; transferring budgetary funds for this purpose from the direct control of the Ministry of Treasury and Economics or the Ministry of Intergovernmental Affairs and its successor, the

Ministry of Municipal Affairs and Housing, to the Ministry of the Solicitor General, directly responsible for law enforcement in Ontario"—and if the Solicitor General were here today, I am sure he would agree with me on that—"and directing the Ministry of the Solicitor General, in conjunction with the Ontario Police Commission, to develop comprehensive standards for municipal policing by regional and local police departments and the Ontario Provincial Police, including criteria governing provincial financing of these operations."

Those are some of the feelings supported by my colleagues in this House, by the Association of Municipalities of Ontario and by a well-known and respected consultant in police financing in this province, Mr. Pukacz.

I hope the provincial government will take seriously the plight of the various municipalities in this province that are not regionalized and have to suffer the plight of receiving only \$12 per capita as opposed to those regional governments that have the support of the province and receive \$17 per capita.

Mr. Breagh: Mr. Speaker, I would like to say a few words on this bill. I will begin by saying that we will oppose it fundamentally because to accept it is to accept the way in which this government funds municipalities.

If we want to start right at the beginning, the first ground for opposition would be to look at the title of the act, which says we are supposedly talking about Ontario unconditional grants. I remember when that concept was first put forward, municipalities were saying it would be nice to have a base provided by Ontario that would be unconditional. In addition to the municipal property tax, they would be allotted sums of money that would not have strings attached; it would be a supplement to the municipal tax base.

Let me just read a brief sentence or two from the explanatory notes: "Consequent on the above, regional municipalities except Metropolitan Toronto, Peel and Muskoka are to credit the grants they receive to their general funds. The three named regional municipalities may continue to credit their constituent area municipalities with general and police per capita grants received by the region, in accordance with the population of those area municipalities."

For something that is purportedly unconditional, it strikes me there are a hell of a lot of conditions put on this. I think that is one of our basic problems. It goes back for a lengthy

period of time, and the response from this government is a rather traditional one. Whenever somebody asks for something, it generally tries to find a way to give it in name only and then do what it really wants.

In this instance, when municipalities were asking for unconditional grants, the response from the government was, "If you want unconditional grants, we will give you unconditional grants; here are the conditions under which we will give you the unconditional grants." This technique has been perfected in the private market by General Motors under a much simpler title; it calls it "mandatory options." A person does not have to take those options, but he cannot get the car without them.

9 p.m.

Ontario reiterates that same technique. In olden times this was called the pea in the pod game. The people on the street would walk up to the little guy who had three little pods there and try to guess which one the pea was under. One could never win. One could play the game but always lost. In olden times they used to say that was a crime—they really should not be carrying on that kind of fraudulent activity. Yet I have some difficulty recognizing how the hell an unconditional grants act can have so many conditions attached to it.

One of the problems the people in Ontario have had is that this government, for some lengthy period of time, has kept on giving what was asked for in name only. After they have done that then they do it to us several ways—sideways.

This bill is an excellent example of that. In principle, it moves to take away some of the inequity particularly in the field of costing to municipalities for police services. That does not sound like a bad idea. It sounds like a reasonable way to proceed. Never mind that this is a conditional unconditional grant. To get a little more money sounds like not a bad idea, and so many of my friends in municipal politics would say, "Well, at least some of the inequities are gone." Maybe a couple of weeks ago they might have said, "Well, it is conditional but we will take it. It is the best offer we are going to get anyway, so we might just as well."

I wonder how they feel today after they have had a chance to run through their municipal costs this year after our friendly little Treasurer in plaid got through with them. Is there a reflection in here for the additional costs to each of the municipalities the Treasurer put on

them a couple of weeks ago in his budget? No, there is not.

Part of the reason for unconditional grants in the first place was to give municipalities a base over and above the property tax base—a little flexibility, a little manoeuvring room. Once again they give with one hand and take away with the other. When these people are through with the municipalities I would warrant there will be a third hand entering the picture. It has been my experience in dealing with the government that they promise a little bit, and the municipalities say, "If that is the best I can get I will take that." One knows it is insufficient; it is not enough. I dare say anyone who looks at the kind of grant changes that are being addressed in this bill will say, "It is nice but it is not really enough." That is the basis of the first argument.

Second, after they have done that, they will increase the costs somewhere else. In this instance, that is exactly what the Treasurer did. He slapped that old sales tax on vehicles they will buy for police forces. Many of the smaller forces will not have a capacity to service those vehicles in-house. They are going to get hit again, and they will get hit nine ways from Sunday before they are through. The beauty of it all is that at some point somebody over there will have the gall to arrive with the cheque.

The cheque always comes. One does not know right now exactly what the cheque will be for, and one does not know under what faint guise the cheque will be presented, but what one does know—and each and every person out there in municipal politics knows it now—is when the screams arise, when the revolution begins, somebody from the Big Blue Machine will be there with the ribbon, and the photographer, and the cheque.

Mr. Wrye: About election time.

Mr. Breaugh: It may not be election time. It may be this fall just before some local Progressive Conservative, prominent in municipal politics, is running into a little trouble and needs a little sweetener for his electorate. It may just be that somebody across there will roll up in the limousine and out will pop two or three staffers. They will see the photographers are well stationed and that the local press has been notified the minister is arriving. The Minister of Municipal Affairs did not see fit to make it here tonight for this little debate, but I dare say when the cheques are going out he will be there. Off will go the limousine and out will fall the minister and in front of him will be the little cheque.

We are beginning, certainly on this side and in

municipal politics, to understand how the boys in blue, so to speak, have kept themselves in business for so long. They have no qualms at all about putting all these conditions on an unconditional grant. They have no trouble with that at all.

The Treasurer of Ontario cries foul when the federal government does not tell them about a change in the rules. He says, "Listen, there ought to be consultation on this stuff. Whenever you change those established programs financing grants you better sit down with the provinces and bargain. You better negotiate a consensus. You better come to a table, discuss our common problems, and arrive at a resolution. And don't you dare go out there and establish major changes in a funding formula without my okay."

I wonder if we did that with the municipalities on this. This is the interesting little twist of the knife here. They said: "Talk to some of the municipal organizations. Yes, there is a mood to take it to conventions, to take it to the meetings of the Association of Municipalities of Ontario, to pound out a little consensus behind closed doors."

I wonder what would happen if the federal government said: "Okay, we'll talk to you, kiddies, but only behind closed doors. And by the end of it all you'd better be onside, or there won't be any money." That is the process we are dealing with here. Will the numbers match up to the needs? I think the consensus on that is pretty easy: No, it will not. It will not address the cost of policing.

As a matter of fact, if I were a consultant advising municipalities on what is the best kind of police grant to get, the best kind is no grant. The best kind in Ontario is to have the Ontario Provincial Police provide police services. Do not be dumb enough to try to set up a regional force.

You can see, as you work through these grant structures, that the province likes to have regional police forces. For some reason it is very trendy and fashionable these days. Regional police forces around Ontario are all trying to provide good police services and they are having some difficulty with it. The traditional pattern will prevail.

Another sweet irony in this bill is that just after most of our municipalities have set their budget we will start talking about the legislation upon which their financial arrangements with the province will be set. Someone will say that the minister was down to one of their conferences or that he made his announcement or

made it known what the grant patterns would be. It is strange that he can find the time to do that but cannot find the time to be here.

It is interesting to watch the trends. In each of my years as critic for the Solicitor General it was always interesting to follow as regional police forces went through their budgetary process. Each year they found that the budget provided by the province in their municipality was insufficient to meet the need. And between the local police chief and his staff's submissions to the police commission and the police commission's going to the regional council, there always seemed to be a crime wave that whipped through Ontario.

I do not know why that is but I noticed that each year, as the police budget was up for discussion, things seemed to deteriorate badly in places which were as safe as a church in October, November and December. The chief of police would be there at the Lions' and the Kinsmen's Clubs assuring the citizenry: "There is no crime here. Everything is under control. There is no organized crime." But come the budget, when these conditional grants would kick in, all of a sudden there seemed to be a little crime spurt. I do not know whether there really is a kind of January-February crime wave, but it always seemed to happen.

There, I think, you see an example of police forces responding to the way this government funds things, if they cannot create a serious problem out there, or at least impress upon the regional councils that there is a need for an expansion of services. They understand quite well how this government, in particular, functions: If there is not to be crime on the streets tomorrow morning, they are not about to put any more bucks out there. They understand the process, and so do people, I think, in municipalities.

I want to close with a couple of comments on whether we have really resolved the problem of differences in funding the various levels for regional forces and for local forces—never mind the OPP; set that aside. I do not believe that we have resolved those difficulties but only in some small measure.

I suppose, given the glacial speed at which this government works, we should all be grateful for the crumbs which are spread around, but I for one am prepared to say I am not. I do not think that is the proper way to finance any kind of municipal service, let alone police services.

I believe this government has got away with this approach for too long. It has been allowed

to set its own rules, to close the doors and negotiate with municipal officials where no one else can watch. And it has also been allowed to change the rules of the game after they have been set. I think that is unfair to the municipalities. I recognize they are always in a mendicant position with this government, always begging, and it has always been fascinating to watch that process at work.

9:10 p.m.

First, the minister announces what is going to be the system of funding. He does it every year. He has never responded to the long-term commitment the municipalities are constantly seeking, despite the fact he sees no conflict at all in turning around and saying to the federal government: "Hey, we cannot budget year by year. We have to know two, three, five, 10 years in advance what the financial flow will be."

There has never been a response to the municipalities which says, "That argument applies to you as well and to be fair we are giving you a reasonable and accurate long-term projection of how we are going to help you address your costs." That does not happen.

More than that, after the announcement is made, after this bill is read, that supposedly is the end of the process because the same rules logically should apply to everybody. If one has been in municipal politics in Ontario one knows that is not true. There is a printed agenda and then there is a hidden agenda. The hidden agenda means that if the regional chairman is worth his salt and there are problems with this kind of unconditional grant, he had better be down here. He had better go over to La Scala, down to Winston's, and around the government buildings here.

He had better gather up the local members to have a little chit-chat with the various ministers who are here to see what ways they can weasel around that. What kind of unconditional grants can they get then? What kind of perversion can be worked on it? Of course, if there is a little trouble, it will help if the local police chief will co-operate by identifying some local riot that is about to happen. Then they can get a few of the citizens out there to come down with him. After that, it is plea bargaining in this system.

That is what is wrong with the system and that is specifically what is wrong with this bill. That is why it does not deserve the support of any of the members here. There ought to be a little more consideration on the part of the government. I sense that in the long run it is doing itself a great disservice.

Maybe this little shell game that has worked for years in Ontario was worthwhile when it was first put out. After all, people who are victims of fraud often are reluctant to admit they were suckered in that initial process. People who have discovered they have been taken, that a fraudulent activity has occurred, are not exactly the people who are going to come back and be friends again next year. I suggest that on the next trip through here with unconditional grants the government do something absolutely phenomenal. It should try putting forward a bill proposing unconditional grants which has no conditions. It might be another 40 years before we see that.

Mr. Newman: Mr. Speaker, I rise to make a few comments on Bill 28, An Act to amend the Ontario Unconditional Grants Act. I hesitate to repeat comments I have made in this House for well over 10 years in respect of my own community, the city of Windsor. The minister has been in this House long enough to be aware and to understand the problems my community has been having for many years as a result of not getting its fair share of the grants, both unconditional and police grants.

In reference to the police grants, the minister knows that every single town bordering the large metropolitan areas in the United States has problems that are not commonplace to municipalities in the interior of the province. We have an element that comes into Windsor, across the river from the Detroit area, from the state of Michigan and from areas beyond that, which can at times mean additional responsibilities and problems for the municipal police.

Yet this government, in the many years it has been in office, has hesitated to come along and recognize the added policing that is required in my community; has failed to recognize it in the provision of proper funding so the police force can do the job it would like to do. Instead, it does the best it can with the limited resources.

It is about time this government was fair to the community. I hope I do not have to repeat this in years ahead, but the minister is not being fair. He is discriminating against the community simply because it does not have a regional government. The minister knows we have these added costs and responsibilities, yet the government has failed to fulfil its responsibilities.

Quite a few years ago in the city of London, the mayor of Windsor, Frank Wansbrough, made a presentation to the cabinet. He pointed out part of what I was saying and a lot more. He was very graciously met by the cabinet. The

members listened attentively but hesitated to act. We had a petition drawn up in the city and more than 20,000 names were presented to the government. I can recall them placed in boxes at the end of the long table in this Legislature, the names of 20,000 citizens strongly objecting to the way they had been treated by this government. Yet absolutely nothing was done to alleviate the problem.

I cannot understand why a government would continually play politics when it comes to the protection of citizenry in the community from which I come, the city of Windsor. It is absolutely unacceptable to have such treatment by a government that has perpetuated itself in office for well over 38 years. Surely it understands fairness. Surely it realizes that simply because an area is represented by an opposition member it shows that the people in the area have a little common sense and wish to have someone rather than a government individual speak for them. Unless this government pays a little more attention to a community such as mine it is never going to have a member elected from that party. As long as it does not, when we form the government we will treat all communities in a fair and just fashion.

I have only mentioned police grants and the discrimination there. There are the unconditional grants in addition to that. If someone is owed money they expect to be paid back at some time or other. Over the last eight years or so this government has short-changed the community to the extent of well over \$40 million. That is an accumulated total. We hope our talk in this House will fall on open ears; however, the government hesitates to right a wrong.

If one owes the bank money, one can bet one's bottom dollar the bank will come after it. The government owes the community money by shortchanging it, by not being fair with it. It makes no attempt to right that wrong and give the community its fair share, nor to make some arrangement to pay up moneys owing to that community because it has not been given its fair share of unconditional grants. I could continue to talk on that subject. The minister has heard my comments in other years. Why does he not initiate something to convince his colleagues that is not the way to treat a community? To be fair, all communities should be treated in the same way.

Why should London have substantially higher grants than the community I come from? A former premier came from the city of London and, as a result, London was given added

consideration. But that is not the way to run things. Give to a community what it is entitled to receive. Do not play politics with the lives of the people. Our community almost had a taxpayers' revolt in the city this year, and what happened in Windsor this year is going to happen in other communities until the government realizes that they have got to treat all municipalities fairly.

9:20 p.m.

Mr. Wrye: Mr. Speaker, on a point of order: These are very important arguments the member for Windsor-Walkerville is making, and I think it is a little insulting to have six government members in the House. I do not see a quorum.

The Acting Speaker (Mr. Cousens) ordered the bells to be rung.

9:25 p.m.

The Acting Speaker: We have a quorum. The member for Windsor-Walkerville may continue.

Mr. Newman: Mr. Speaker, before the quorum bells were rung I had been pleading with the government to reconsider its treatment of my community, and I know there are other communities in Ontario that are also being treated unjustly.

We have a problem in the Windsor area that is unique to Ontario. Because we are an automotive town we have probably the heaviest unemployment we have had in years; it was probably only during the days of the Depression that it may have been worse. Yet no consideration has ever been given by this government to municipalities that happen to have such heavy unemployment. The government could at least use that as one of the criteria, if necessary, for unconditional grants. I know it may not be in there, but when you have a community with approximately 20,000 unemployed at one time you have to consider it as a possibility.

The figures are not as dramatic now as they were before, essentially because a lot of the people from the Essex county area, approximately 15,000 people, have departed and taken up residence in the western provinces. That is the equivalent of the whole town of Leamington leaving the Essex county area. People do not leave a community if economic conditions are good. Economic conditions were not as good as they could have been, yet the government has some responsibility to those many people. It could even have considered the numbers of unemployed as one of the criteria for raising an unconditional grant.

The minister will say we will get added financial assistance for welfare, but the community is also stuck with heavy welfare payments. Yet there has been no real consideration on the part of this government, especially on the two types of grants I have mentioned: the unconditional grant and the police grant. The Treasurer did not hesitate to impose added burdens on the municipality with his budget, but there was no provision to assist that municipality in overcoming those additional costs. With the municipality facing heavy unemployment, one of the conditions could have been the unemployment index in that community. He could have considered that in an attempt to increase the grants and help a community weather the adverse economic conditions.

There is also a problem with the education grants. The number of younger folk continuing in the schools is smaller simply because the birth rate in some communities has generally decreased. As a result there is a need for funding. A municipality can only raise a certain amount through property taxes before the residents almost rise up in arms. As I mentioned earlier, there would have been a taxpayers' revolt in the city of Windsor had the city fathers not dramatically reduced their budget from approximately a 15 or 18 per cent increase over last year to only a seven, eight or nine per cent increase.

The citizens find it almost impossible to meet the tax burden, and this tax burden is so heavy for at least two reasons: this government's failure to provide additional funds through the Ontario Unconditional Grants Act; and its failure to treat all municipalities fairly, even if they are not regional governments. Governments bordering on American municipalities do have problems, maybe, in some instances, more serious problems than do the areas under regional government at present in the province.

I hope with the few comments I have made that I have been able to penetrate the wax in some ears so that government will once and for all treat all municipalities in the province fairly. Let us forget about this friends idea. Let us come along and give to a municipality what it is entitled to receive, and let us not discriminate.

9:30 p.m.

Mr. Wildman: Mr. Speaker, I rise to take part in this debate on Bill 28 with some disappointment. I had hoped we might hear from some of the members across the way from rural municipalities.

As one of the other speakers indicated, whenever this bill comes up for debate in the

House, if the grants are changed the members on this side of the House always raise concerns about the lack of support from the provincial government and especially the differential which continues to exist in police grants and in funding for policing.

I have asked this question many times and have yet to receive anything like an adequate response: why is there a differential in the policing grants between a municipality which is not part of a regional municipality and a regional municipality? I have never received any kind of explanation for that.

It has been said in the past that originally when the regions were being organized it was justified as a way of persuading municipal politicians they would get some extra assistance by going into a region.

I would not argue with that on the basis that at the time of the organization of the regional municipalities there might have been some extra expenses for restructuring the policing of some of those regions and that there might have been extra costs for equipment and radio facilities and whatever. The regional municipalities have long since got over the adjustments required, yet we still have the ongoing differential.

I ask again: why is there a differential? What justification is there for it? I am very disappointed that some of the rural members across the way have not risen and said the same thing to the ministry: why is there a differential? What justification is there for it?

Perhaps if we ever get some back-benchers on the other side who have enough gumption to get up and express the concerns of the municipalities in their own ridings, we might be able to persuade some of the people on the front bench on the other side there is really a problem and it is not a partisan issue. This is anything but a partisan issue. How can anyone believe that policing is a partisan issue?

Mr. Rotenberg: Do not make it one.

Mr. Wildman: The parliamentary assistant says, "Do not make it one."

Mr. Gordon: I've heard it made a partisan issue.

Mr. Wildman: I suppose one might argue that it is partisan because people of another party raise the issue. That is really small-minded, if that is the way one looks at it.

Mr. Gordon: No, no; you've got to have a broader mind than that.

Mr. Wildman: I suppose it is partisan if the

people who are concerned and happen to belong to other parties wish to raise an issue.

Mr. Breaugh: Or all three parties, as the member for Sudbury (Mr. Gordon) has.

Mr. Wildman: I know that my friend the member for Cochrane North (Mr. Piché) in the past has raised many concerns about policing. I do not believe he sees it as a partisan issue, and I do not either. But if it is not partisan, if it is an issue of concern to all the municipalities and to the citizens of those municipalities across the province, why do we not hear somebody from the other side expressing those concerns? Why is it only people from this side of the House?

I have searched for the reason. I have looked at some of the regions in southern Ontario and I have asked: "Are their areas much larger? Do they have many more miles to patrol than the small rural municipalities in northern Ontario, for instance?" The answer is no.

I suppose it might be argued that in the regional municipalities of southern Ontario there are more people to police. I cannot argue with that. It is true in most cases. They do have more people to police, but they also do not have a lot of the extra expenses that some of the small municipalities in northern Ontario have. One reason they have extra costs for policing is simply because the Ontario Provincial Police are so underfunded by this government that they are not able to provide adequate policing on their own, and so the municipalities have had to take up the slack.

I will use the community of Wawa in my riding as an example. It has its own regional police force, its own local police force, the Michipicoten township police. When one looks at that example one really wonders why policing grants are determined on a per capita basis at all.

The township of Michipicoten has approximately 5,000 people. It is not a very big place, yet that is the only police force that operates on a 24-hour-a-day basis between Sault Ste. Marie and Nipigon. It is the only police force that has a lockup to hold prisoners overnight and they then have to be transferred to the Sault Ste. Marie-Algoma district jail. Wawa is approximately 140 miles—

The Acting Speaker (Mr. Cousens): The member is speaking to Bill 28.

Mr. Wildman: I am talking about policing grants. I thought that was obvious, Mr. Speaker.

I was saying Wawa is 140 miles from Sault Ste.

Marie. The Michipicoten township police have to send officers to—

Mr. Bradley: The Tories do not care about Wawa.

Mr. Wildman: Now that the Speaker has returned to the chair, I am sure he will fully understand that I am talking about the costs of policing in small municipalities.

Because of the distance, that police force often has to send officers to accompany prisoners on transfers to the Algoma district jail in Sault Ste. Marie. As a result, in order to maintain policing in their own community, they have to have extra officers. They have a much larger force for the size of the community than most southern Ontario communities of a comparable size that do their own policing. I am suggesting that distance and geographic location should be taken into account in determining grants.

The Wawa area has an OPP detachment as well. One might ask, "Why do we need higher grants for the Michipicoten township police when there is an OPP detachment there as well that carries out policing of highway traffic and investigation of crimes that take place just outside the municipality, and so on?" As I have said, very few of the detachments north of Sault Ste. Marie stay open all night. The Wawa detachment of the OPP closes at midnight or one o'clock in the morning. Sure, there is a radio dispatcher on duty, and if there is an emergency call for the police that dispatcher then has to rouse some off-duty policeman to go and answer the call.

9:40 p.m.

The Michipicoten township police provide policing for their community on a 24-hour basis, yet they get paid less per capita than a regional force; and we have yet to find out why, when they have extra expenses as a result of their geographic location and the distance to the nearest jail. The local municipal officials have come to the ministry and asked, "Why is it we cannot get higher grants?" Officials down here seem stupefied. They seem to be completely unable to comprehend the problems facing this kind of municipality in this kind of geographic location.

When the reeve of the township of Michipicoten tells people how many police officers are on their force for the size of the population—I believe it is somewhere around 11—they just look at him and say: "Why do you have such a large force? That's ridiculous." Yet they are

unable to understand that those police officers are often in transit between Wawa and Sault Ste. Marie, transporting prisoners or going to court dates at the district courthouse in Sault Ste. Marie.

Every session when this bill comes up we raise the same arguments and we are faced by an opposing side in the House that sits and says, "Well, we have had those differential grants in the past and we are going to maintain them."

When the member for Oshawa (Mr. Breagh) was speaking to the bill he said it would pay small municipalities to have their policing done by the OPP at no direct cost to them rather than have their own forces. There is no question about that. For instance, compare Wawa with the second largest community in my riding, Blind River. Blind River does not have its own police force; it has an OPP detachment that is responsible for policing the municipality as well as the highways and the area in the vicinity of Blind River.

The community of Wawa is taking some of the pressure off the OPP by providing its own policing, yet this government refuses to recognize this fact by giving them adequate financing. Perhaps it would pay the township of Michipicoten to say, "We are not going to carry on policing any more; we are going to have the OPP do it for us." That would cost the provincial government more than it is costing now.

It is a ridiculous position for the provincial government to take. Why do they not encourage small municipalities to carry out their own policing by providing adequate funding? That would take some of the pressure off the OPP, which is understaffed and underfunded. Instead of giving townships like Wawa and Michipicoten an incentive not to police their own communities, why are they not providing an incentive for local policing to take some pressure off the provincial force? I hope I will be able to get some explanation of why the differential has not been eliminated.

Today in the House during question period I raised a question about policing in Dubreuilville, which is a community about 50 miles from Wawa. The Solicitor General (Mr. G. W. Taylor) obviously did not know where Dubreuilville was when I raised the question, but he had had some briefing. He knew the Wawa OPP detachment was being increased by four members because of the elimination of the detachment in Dubreuilville. He also knew the OPP is in the process of setting up a new radio system, which will make it possible for all OPP detachments in

the Algoma district to be dispatched from Sault Ste. Marie under a centralized radio dispatching system. Unfortunately, he did not know the community I was talking about is a francophone community and none of the radio dispatchers are bilingual.

He also did not know that Dubreuilville is over 50 miles of terrible roads from Wawa. It is my view that the OPP is not now providing adequate policing for the Michipicoten area and it is ridiculous, even with additional staff, to be adding to its responsibility. In my view, instead of doing that, the government should provide the additional financing necessary to help the township of Michipicoten provide better policing. Then the OPP would have less responsibility in that area and would be able to police the smaller communities in the area around it.

I hope that sometime during this debate we hear from the rural members and the northern members on the other side of this House, and that they might get up and finally support the position that has been put forward again and again on this side of the House. We have to eliminate the differential. It is no longer reasonable to maintain the differential. We have to provide adequate financing to enable small municipalities to provide local policing, so that we can get something approaching the security the citizens of this province deserve.

I will not speak at any greater length. I will just say I cannot support this piece of legislation, because I believe the financing is inadequate. I do not accept the differential. I do not believe it should continue. I will sit down now in the hope that someone from the other side of the House will have the guts to get up and explain to the front bench the need for adequate policing and financing of the small communities in northern Ontario and rural municipalities across this province.

Mr. Wrye: Mr. Speaker, at the outset I will say I would be pleased to yield to the member for Cochrane North, who I am sure is just itching to provide a northern perspective from the government's point of view.

I want to say a few words on this matter. I note, and I am sure the parliamentary assistant notes, that once again the Windsor members are most interested in Bill 28. Our interest is mainly due to the fact that over the years, the city of Windsor has been so badly short-changed by this government that we are now in a financial crisis that has spawned perhaps the worst taxpayers' revolt in the province.

While the Speaker was out of the chair, I was forced to call for a quorum. I did so in the full knowledge that there were a total of six members of the government party in the House. Those of us on this side of the House get more than a little sick and tired of being told that we are supposed to play the game entirely by the government's rules and that it is not necessary for them to come to this chamber and defend their actions.

I acknowledge that my friend the member for Oxford (Mr. Treleaven) was one of the six.

Mr. Speaker: Now to the bill, please.

Mr. Epp: Mr. Speaker, I think it should be noted that there is not a single cabinet minister in the House either.

Mr. Wrye: My friend the member for Waterloo North (Mr. Epp) makes an excellent point. It is perhaps a symbol of the contempt this Minister of Municipal Affairs and Housing (Mr. Bennett)—

Mr. Speaker: And now to the bill, please.

Mr. Wrye: I am speaking to this bill, Mr. Speaker, with respect. It is a symbol of the contempt with which the Minister of Municipal Affairs and Housing treats this Legislature and the municipalities that he has—

Interjections.

Mr. Speaker: Order. I will have to ask the member for Windsor-Sandwich to confine his remarks to the bill, please.

9:50 p.m.

Mr. Wrye: Mr. Speaker, let me simply say it is unfortunate that the minister could not find the time to join us tonight to talk about and defend his actions. However, let me talk a little bit about the bill and the reason these grants are inadequate.

The increase of 10.5 per cent in these grants was barely going to be enough to bail the municipalities out of a growing crisis—and my friend the member for Windsor-Walkerville (Mr. Newman) spoke about the need perhaps to come up with a new formula—especially municipalities such as my own, St. Catharines, Brantford, Oshawa, Chatham and perhaps even Sudbury; it was barely going to be enough to bail them out of the increasing problems they have as they are hit increasingly hard by unemployment.

Yet having given up the money a few months ago—and my friend the member for Waterloo North alluded to this—the government then, with no consultation at all, turned around and in

the budget of May 13, took one to 1.5 per cent away from every municipality; giving with one hand while picking their pockets with the other.

An hon. member: Shame.

Mr. Wrye: It is really shameful. The previous speaker, my friend the member for Algoma (Mr. Wildman), spoke about the police grants—

Mr. Brandt: The feds would never do that.

Mr. Bradley: Run for the federal Parliament if you are dissatisfied.

Mr. Speaker: Order.

Mr. Brandt: You also know it is Canada too.

Mr. Riddell: If you want to talk about the feds, you run for the feds the next time around. Interjections.

Mr. Speaker: If the member for Sarnia (Mr. Brandt) wants to talk, I will recognize him. The member for Windsor-Sandwich has the floor.

Mr. Wrye: Mr. Speaker, I would be pleased to yield to the member for Sarnia if just once I could hear from this government something about Ontario and not always about the federal government.

Mr. Speaker: And now to the bill.

Mr. Breaugh: I move that the member for Sarnia—

Interjections.

Mr. Wrye: I am being provoked, Mr. Speaker.

I join my friend the member for Algoma and the other speakers in asking the parliamentary assistant once again whether in his closing remarks he would be so kind as to tell us why we have a \$5 differential in police grants.

Let me describe the situation that confronts us in the community of Windsor. We are a border community.

I see that the Solicitor General (Mr. G. W. Taylor) has just arrived, and he will be well aware—

Mr. Bradley: That's only the Solicitor General when Roy isn't here on a high-profile issue.

Mr. Speaker: Order. If the member for St. Catharines wants to speak, he will have his turn.

Mr. Wrye: And he will want to speak.

Mr. Speaker: In the meantime, we are listening to the member for Windsor-Sandwich.

Mr. Wrye: I will go back to describing the community in which I live. We are a border community, and we face the same kinds of problems that border communities face throughout Ontario. In addition, in spite of the fact that

we are not a regional municipality, several services that are offered to municipalities surrounding Windsor are paid for entirely, and the personnel demand and the equipment for those services are paid for entirely, out of the budget of the city of Windsor. Yet there is absolutely not one dollar's worth of recognition, I say to the parliamentary assistant.

In addition, I point out to the House that when we were in this place about one year ago at this time we were debating a similar bill, which, believe it or not, contained similar grants for police: \$12 and \$17. Where is the recognition that the costs of police protection are rising very rapidly? Indeed, in my municipality, and I believe in every municipality in Ontario, the costs of police protection are probably the second largest individual expenditure we face.

Where are the municipalities supposed to get the money? To whom are they to reach out? Are they to reach out to those businesses that have closed and left? Are they to reach out to those taxpayers who are already paying 10 per cent on their municipal taxes, who have been asked by this government to pay a whole series of increases in this budget, tax on everything from shrubs and flowers to meals at McDonald's and everything in between? Are they supposed to reach out to them and tap their pockets?

This government makes a great deal of the fact that there should be discussions with the federal government in terms of established program financing after it has welshed on its commitment for more than five years. It makes a big deal of those facts. Where were the discussions with the Association of Municipalities of Ontario? Were there any discussions? Did they know about this kind of money grab that was going to go on? Indeed, where were the discussions before these unconditional grants were given out? Where was the meaningful discussion?

It has been made clear by the member for Waterloo North that the association simply believes there is a totally inadequate amount of new funding provided this year to meet the needs of the municipalities.

I know a number of members on this side wish to speak, so I do not wish to continue the debate any longer. I, for one, am very displeased with this bill and I do not intend to support it on second reading.

Mr. Riddell: Mr. Speaker, the parliamentary assistant who is floating this bill through on behalf of the Minister of Municipal Affairs and Housing knows that I represent a rural riding.

We have heard a lot of comment today about rural members getting up to speak, and I am one who fully intends to express the concerns of the rural municipalities.

I represent a rural riding consisting of towns ranging in population from 1,000 to 8,000. Goderich is the largest town in my riding, and it has a population of 8,000. When I look at the grant structure to an area such as this, I have to believe that we are not getting our fair share.

Exeter is an example of a town that is receiving these unconditional grants. Exeter received \$361,998 in grants in 1981, an increase of \$13,116 over 1980. This amounted to an increase of 3.76 per cent.

Of the four categories of grants that make up the total grant structure provided by the province, two categories, the general support grant and the per capita grants for policing, made increased revenues available to the town. Those two categories of provincial grants made increased revenues available to the town.

I am not going to elaborate any further on the inequity in the police grants. There has been quite a bit said about that tonight.

I firmly believe that the reason for the \$5 differential is that it is the backdoor method of this government to impose further regional government. I have always said that it is almost tantamount to a form of blackmail whereby they are keeping these areas that are unregionalized to the \$12 per capita and providing \$17 per capita in the regionalized areas. That tells me one thing, that the government is still on the road to regionalizing all those areas in Ontario that have not come under regional government and that this is one method that they have of doing it. That is all I am going to say for now on the police grants.

The general support grant is to provide an amount of money equal to six per cent of the previous year's net general dollar levy. The police per capita grant is based, as I have already indicated, on \$12 per capita for a population of 3,668 in the town of Exeter. The one category known as the general per capita grant remained at the same level, seven times Exeter's population.

The resource equalization grant is the area—

Mr. Rotenberg: This year it is up to 11.

Mr. Riddell: I am sorry, I do not have this year's figures. I wish I did have.

Mr. Rotenberg: They are in the bill.

Mr. Riddell: Okay.

Mr. Rotenberg: It went from seven to 11. They got a good increase.

Mr. Riddell: All right. A lot of my facts are based on 1981. There might have been a slight change, but the point I am trying to make is that I really think the rural areas are being treated unfairly regardless of whatever steps have been taken to provide increases this year.

10 p.m.

The resource equalization grant is the area where the bulk of the town's grant moneys is obtained. The mathematical calculation in this area is complex and takes into consideration residential and farm assessment in relation to industrial and commercial properties. Only 55 per cent of residential and farm assessment is retained in the resource equalization grant formula to reflect the fact that municipalities tax residential and farm properties at a lower proportion of value than is the case with industrial and commercial properties. In other words, total local taxable assessment of a municipality is reduced by discounting residential and farm assessment by 45 per cent to reflect current tax practices.

Using this methodology, and standard compensating factors with plus or minus limits, a grant is struck for the community. After saying all this, the resources equalization grant to Exeter was reduced \$160 for 1981. At the Ontario Good Roads Association convention—where has the parliamentary assistant gone? I hope he is listening to this, because I really think something has to be done.

Mr. Bradley: He has gone to get his marching orders.

Mr. Riddell: I am quite prepared to wait until he comes back, because what I am saying reflects the concerns of all rural communities throughout Ontario.

We certainly hope the Minister of Intergovernmental Affairs (Mr. Wells) is making a speedy recovery from his operation. At the Ontario Good Roads Association convention he stated: "As for transfers from my own ministry"—the Ministry of Intergovernmental Affairs—"I announced that the unconditional grants for 1981 would increase to about \$582 million. This represents a substantial increase of more than \$50 million or 9.2 per cent over 1980. The major initiative for 1981 involved the increase in police per capita grant that I have already mentioned, and the reformulation of the resource equalization grant and a new method of apportioning municipally shared costs."

Again I mention that Exeter's increase for 1981 amounted to 3.76 per cent and Goderich's increase was in the neighbourhood of four per cent, substantially below the provincial average increase of 9.2 per cent. Some of the towns' lack of gain was through a zero increase in population. Where per capita grants are allocated, increases or decreases will develop depending on population shifts. Therefore, we must always be alert to provide a climate in our rural towns that stimulates growth.

The other area of resource equalization grants makes me fearful of future grants that may be provided in this area. The formulation can be detrimental to our towns and it is imperative that the town councils understand fully its potential impact. I strongly hold to the belief that towns in rural Ontario are not achieving their fair share of the increase in unconditional grants.

Previously I indicated that Exeter and Goderich are receiving less than a four per cent increase in grants, whereas the average provincial increase amounted to 9.2 per cent in 1981. Certainly costs are accelerating in the towns at a far greater rate than four per cent, and only through cushions built in the previous budget were the towns able to hold taxation for municipal purposes below two per cent.

Recognizing the difficulties that the citizens of these towns are facing at present, it is the desire of the town councils to help in whatever way they can. However, what has been done this year cannot be repeated next year, unless the towns get a more equitable share of the provincial grants. If the province remains rigid in its stand on the method of calculating these grants, then I foresee communities such as Lucan, Exeter, Seaforth, Clinton and Goderich deteriorating in services and quality of life. Surely this is not the desire of the provincial government.

I would like to extend a scenario that could happen in these small towns. If the increases in grants to a municipalities of 4,000 people are not equal percentage-wise to other communities, then the need for increasing the mill rate will be great. To meet required expenditures on services, money is required. The alternative is to cut services and hold the mill rate. If the towns increase their taxation above other communities, they lose the opportunity to attract or hold industry; and this could stagnate growth or decrease the size of the community. Property values and individual assets will deteriorate and the town will begin to decline. Businessmen will relocate or curtail their business. Protection to

people will deteriorate, and we will end up with very unstable communities.

Perhaps this scenario is extreme and, at best, would not happen for many years. However, to be forced on to a course of this nature is unbecoming to the province's desire for equality for all. It is for this reason that I am drawing my concern to the attention of the parliamentary assistant as we are debating this bill, and I hope we may rectify this situation for future grant allocations. I certainly solicit the parliamentary assistant's support in trying to rationalize the situation I have just described.

Mr. Haggerty: Mr. Speaker, I want to add a few comments on Bill 28, An Act to amend the Ontario Conditional Grants Act.

Last Saturday, a week ago, my colleague the member for St. Catharines (Mr. Bradley) and a number of the local MPPs, including the member for Niagara Falls (Mr. Kerrio) and the member for Brock (Mr. Welch), attended a joint meeting of regional council, along with our federal counterparts. The agenda set up for that meeting was interesting.

One of the major concerns was that the grants that are now made available to regional Niagara might not be sufficient for the regional government to continue as a viable government community. I thought the parliamentary assistant should be aware that at present there are difficulties within the regional government of Niagara. If he wants regional government to survive, this government is going to have to come through with much more in the way of unconditional grants than has been suggested in Bill 28.

The bill is going to raise the grant from \$10 to \$11. That is almost a 10 per cent increase in per capita grants to municipalities. On that black day just recently, May 13, we had this government tapping the local municipalities across Ontario—school boards, libraries, everything—with an additional seven per cent sales tax. It shows the gall of this parliamentary assistant, saying through this bill, "We are only going to give a \$1 increase," when that will not even cover what he is going to take back from the municipalities in additional retail sales taxes.

I have talked to some of the municipalities and townships in my area. It will mean rate increases of two to three mills in local municipalities such as the township of Wainfleet. Those in Port Colborne and Fort Erie will be much higher, and I imagine all 12 municipalities within the regional municipality of Niagara will

have substantial increases they will have to pick up some place.

10:10 p.m.

That some place is going to hit the taxpayers, not so much this year but next year. They will feel the crunch of the new provincial budget with the seven per cent retail sales tax applied on all municipal purchases for equipment, repairing roads, libraries, schools or whatever it may be.

It will perhaps hit the regional police force of Niagara the highest because I think one of the highest expenditures of regional government is police costs. I can see that even the \$17 the government is going to allow as a per capita grant to maintain the regional police force is not going to be sufficient. I do not think the government can give such a measly amount, a dollar here or a dollar there, thinking it is going to cover the tremendous increase in sales tax.

I bring that to the attention of the parliamentary assistant. Even the members on that side of the House should be opposing this bill because it is not sufficient to assist the local municipalities. What the government is doing by giving what little it has here, and having the sales tax included, means that next year there is going to be a substantial increase in municipal taxes.

There are municipalities in my area where people are almost ready to scream that taxes are going to be too high provincially and too high federally.

If the government wants to continue to put a damper on the economy of this province it can keep hitting the municipalities with taxes and it is going to go down. That is what the government is driving at; everything is going down.

I do not blame the fellows working in Inco who are demanding more from the industry. Perhaps it is hopeless because they are demanding so much, but they are trying to tell the politicians that if the government keeps increasing taxes they are going to be demanding more from their employer. Where will the employer get it from? It is going to raise the price of almost everything to the consumer. The question is, where does it end?

If this government does not sharpen up the public is going to be sharpening things up. The government is not living in the real world of today. I suggest the members sitting on the other side of the House should be out there talking to people. The people will give them the message that they are up to here in taxes.

I suggest to the parliamentary assistant he is going to have to come up with a better deal than

this to assist the municipalities because there is not enough there to continue making them viable local governments. The dollar increase in per capita grants is not sufficient.

I concur with my colleagues that the grants for policing in Ontario should be uniform. My colleague the member for Waterloo North (Mr. Epp) mentioned a study made by the Attorney General (Mr. McMurtry). I think one of the recommendations was that there should be some uniformity in police grants. There should be some consideration given to amalgamating all the police forces in Ontario in one provincial police department under the Ministry of the Solicitor General. Perhaps the government should be looking at that. Perhaps it could then do away with some of the heavy costs of policing in the province by combining the two police forces and give good police service at a reasonable cost.

I can recall the parliamentary assistant's predecessor on a number of occasions discussed with his federal counterparts in Ottawa the issue that some consideration should be given by the federal government to picking up some of the police costs in Ontario. I can see him waving his hands. He agrees with me on that.

If one looks at other provinces that have the Royal Canadian Mounted Police doing their policing, it works out at a very reasonable cost. One does not have to contend with two or three different branches of police departments to get some action. I suggest we should be looking at one police force in Ontario. It might be more economical in the long run. As we said in previous years, we would not have to have three or four communications systems set up within a county structure. Now we have only one in the Niagara region. There are some difficulties with that communications system. It is not ironed out as it should be.

I suggest to the Solicitor General (Mr. G. W. Taylor) while he is here tonight that he should be looking at that report. Perhaps there are some good recommendations he should be following.

The structure of unconditional grants that has been recommended in Bill 28 does not go far enough. The government will have to come up with a better deal than that because it is just going to put the municipalities back further and further. The only way they will be able to come up with additional funds to finance the programs this government has encouraged them to get involved in is through the provision of additional grants.

One other area the government should take a look at regarding grants to municipalities is Wintario grants. In this area, a little is given here and a little there to different organizations and different groups in the community. The government says, "If you match our grant, we will provide some assistance to build a ball park or add to an arena." In the long run, Ontario grants should be given as unconditional grants. It should be increased that way. Let the municipalities decide what priorities they have for spending the Wintario money, whether it be for libraries, hospitals, sports, recreation, physical fitness or whatever.

I think it should go to the municipalities and they should decide. There are a number of service clubs and other organizations within municipalities whose intentions are good, but once they start on programs of this nature with matching grants, they find they end up having to maintain and look after the projects. I suggest Wintario is a direction in which we should look, passing it on through unconditional grants to municipalities.

Mr. Roy: Mr. Speaker, I did not intend to—

Mr. Breaugh: On a point of order, Mr. Speaker: Is this really Monday?

Hon. Mr. Eaton: Albert is here; it can't be.

Mr. Breaugh: It can't be Monday, can it?

The Acting Speaker (Mr. Cousens): That is not a point of order. The member for Ottawa East has the floor. Let us have more respect, please. Why is the member for Waterloo North standing up? Is this a point of order or a point privilege?

Mr. Epp: Mr. Speaker, on a point of information: He is always here on Monday. I do not know why the New Democrats are not aware of that.

The Acting Speaker: I recognize the member for Ottawa East. Carry on, please.

Mr. Roy: After that rude interruption by the member for Oshawa (Mr. Breaugh) who is obviously confused, as usual, not knowing which day of the week it is, I shall continue to participate in this debate. Whether it be Monday, Thursday, Friday or Tuesday, I will be here. When it is important and when the government tries to foist on the Ontario public legislation as offensive as this, I will be here.

After all these rude interruptions, I will not have sufficient time to get wound up this evening.

I do not want to repeat what my colleagues

the member for Huron-Middlesex and the member for Erie have said is so offensive about this bill. But I find one thing very difficult to take at this time. It is that the government should have the nerve through the mouth of the parliamentary assistant to bring forward this legislation increasing the grants from \$10 to \$11 at the same time as it is shifting the burden of the sales tax to school boards and municipalities.

10:20 p.m.

The latest budget imposes a sales tax on school supplies and materials, school buildings and buses, and I could go on and on. I have not made a calculation but intuition tells me that probably the sales tax that will be transferred to the school boards and municipalities will probably be greater than the unconditional grants to be given under this legislation.

The government has the audacity and hypocrisy to tell the people how gracious and generous it is at the provincial level at the same time the Treasurer of Ontario is taking it away with the other hand. If one does not denounce this hypocritical and two-faced approach to provincial politics, I think he is not doing his job. That is why I am here this evening to denounce this legislation.

Possibly even more offensive is the continued approach on the part of this government to treat regional police forces differently from all the other police forces. I think it is appropriate when we are discussing this, and many of us have been raising this issue constantly over many years—

Mr. Bradley: With different Solicitors General.

Mr. Roy: With different Solicitors General as my colleague says. It is appropriate that the Solicitor General (Mr. G. W. Taylor) is here this evening. I ask the Solicitor General if the policing in areas where there is no regional force is deficient? Is he trying to penalize these police forces? How can he sit there silent when a few police forces receive \$17 per capita and the others only get \$12?

Does he want a regional force in the regional municipality of Ottawa-Carleton? If that is what he wants he should say so as some of his predecessors have said. This is a serious business. Just in Ottawa-Carleton I would think we are losing something like \$2.5 million because he sees fit to treat them differently from other regional forces. Does he feel the policing in Ottawa-Carleton is deficient, that there should be a regional force? If he does, he should tell us

so and tell the public of Ottawa-Carleton. He should go there and institute a regional force.

I look at the Minister of Government Services (Mr. Wiseman), who is loved in Ottawa-Carleton. They love him there ever since he started talking about a new courthouse. But as a member from that area, how can he sit there and not denounce the fact that Ottawa-Carleton is losing \$5 per capita because it has retained its own force? How can he sit there as a minister and accept that kind of treatment?

I trust the parliamentary assistant will be talking to his boss, the Honourable Claude Bennett. Can members believe that Claude, the fighter for Ottawa-Carleton, is the minister who is pushing legislation which is denying his own area \$5 a head, or \$2.5 million? Can members imagine that? Somebody says "fair." On what basis is that fair? Can anyone over there tell me why it is regional forces should get \$5 per head more? Can the parliamentary assistant?

Mr. Rotenberg: Yes. I will if you will let me.

Mr. Roy: Some of us have been around here for 10 years. Some of us have been around here in spite of the fraud that the government has perpetrated on the people of Ontario for such a long time. We are still here and we have yet to hear a satisfactory explanation from that side as to why the people of Ontario who do not happen to have a regional force get \$5 less per head. Such legislation is not only offensive, it is unjust and inequitable.

I see so many of the Conservative members on that side nodding their heads. I should put on the record that the member for Cochrane North (Mr. Piché) is nodding his head. I see the member for Sudbury (Mr. Gordon) is acquiescing. I can tell that the look on his face is one of acquiescence. If the man were on a jury we could tell what the verdict would be.

If we were to spend the rest of the week denouncing this bill we would probably not give sufficient merit to the proposal and the offensive aspect of this legislation. Certain areas of Ontario are being penalized for something they know nothing about.

I say to the up and coming leader to be, the leader in waiting—what is the member for London South (Mr. Walker) the minister of?

Mr. Bradley: Industry and Trade.

Mr. Roy: I should know that. In the last pamphlet I opened there was a full-page glossy picture of the minister. It was beautiful. The people will like it. His predecessor, the Minister

of Health (Mr. Grossman), did not have the nerve to do that.

I ask the Minister of Industry and Trade, who understands the legalities of it, why are the police forces of the people of these areas being penalized?

The Solicitor General is not prepared to say, "We want to change the policing in Ottawa-Carleton." If he is not prepared to say they are prepared to change then I cannot see any reason for this.

I find it very sad that the minister, who is penalizing his own area, would not have the guts to be here this evening to answer some of my questions on this very issue. Why did the House leader not whip him in here to give us some answers on this legislation? I say to the House leader, "Get into your limo, go and get him, bring him down here to give us an explanation of what is going on."

At the time the minister took over the Municipal Affairs and Housing portfolio, that was one of the issues I mentioned to him. I was nice to him on that day and I said: "Claude—"

The Acting Speaker: I would ask the honourable member to refer to the position or to the seat. Would he also be aware that the clock is wrong and we are very close to the hour of adjournment.

Mr. Roy: If the minister passes this legislation he will be considered deceased in Ottawa-Carleton. The reason I referred to "Claude" was because I found it to be endearing.

I say to the parliamentary assistant and the minister, for God's sake give us an adequate explanation for this, otherwise give the people of Ontario what they deserve in areas other than the regional areas. They should quit penalizing people for doing something for which, according to their own ministers, they have no explanation.

The Acting Speaker: Is there a motion to adjourn the debate? Does any other honourable member wish to participate in this debate? In that case, Mr. Rotenberg.

Mr. Rotenberg: Mr. Speaker, if there are no other speakers, and in view of the time, I think we should take the vote on second reading. I will give the explanation at some other juncture of this debate.

Mr. Breagh: I think that's a bit much.

Mr. Laughren: I was just about to rise and speak.

The Acting Speaker: Agreed?

Mr. Breagh: No, no.

Mr. Rotenberg: There are no more speakers. The motion is on the floor.

The Acting Speaker: Is there any debate to be made?

Mr. Epp: Mr. Speaker, I would expect and hope that the member for Wilson Heights would adjourn the debate and then give us a proper reply next day.

The Acting Speaker: It is 10:30 of the clock. Is there a motion to adjourn the debate?

Mr. Epp: Mr. Speaker, I will move—

Hon. Mr. Gregory: Mr. Speaker, the parliamentary assistant, as is his right, has moved second reading and you have no alternative but to take the vote.

10:30 p.m.

Mr. Laughren: Point of order, Mr. Speaker—

Mr. Roy: It is past 10:30 p.m. The House is adjourned.

Mr. Laughren: Mr. Speaker, on a point of order: I move the adjournment of the debate.

The Acting Speaker: No. The question has been called.

Mr. Ruston: On a point of order—

Hon. Mr. Gregory: You can't call a point of order when you are calling a vote.

Mr. Riddell: What do you know about it?

Hon. Mr. Gregory: I know that much.

Mr. Ruston: I am going to refuse to sit down.

The Acting Speaker: When the member for Wilson Heights had the floor, he moved the question. The question has been moved for second reading of Bill 28, An Act to amend the Ontario Unconditional Grants Act.

An hon. member: On a point of order, Mr. Speaker—

The Acting Speaker: The question has been moved. Shall the motion carry?

Some hon. members: No.

The Acting Speaker: All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Interjections.

The Acting Speaker: Call in the members.

10:47 p.m.

Mr. Speaker: Order. I understand we have unanimous consent for the honourable member to adjourn the debate. Agreed?

Agreed to

Mr. Rotenberg: Mr. Speaker, I am always willing to co-operate with the members of the House.

On motion by Mr. Rotenberg, the debate was adjourned.

The House adjourned at 10:48 p.m.

CONTENTS

Monday, May 31, 1982

Second readings

City of Toronto Act , Bill Pr3, Ms. Fish, agreed to.....	2171
City of Mississauga Act , Bill Pr7, Mr. Kennedy, Mr. McKessock, agreed to.....	2172
District Municipality of Muskoka Amendment Act , Bill 9, Mr. Bennett, Mr. Rotenberg, Mr. Epp, Mr. Breaugh, agreed to.....	2172
Ontario Unconditional Grants Amendment Act , Bill 28, Mr. Bennett, Mr. Rotenberg, Mr. Epp, Mr. Breaugh, Mr. Newman, Mr. Wildman, Mr. Wrye, Mr. Riddell, Mr. Haggerty, Mr. Roy, adjourned.....	2176

Other business

Adjournment	2194
--------------------------	------

SPEAKERS IN THIS ISSUE

Barlow, W. W. (Cambridge PC)
 Bradley, J. J. (St. Catharines L)
 Brandt, A. S. (Sarnia PC)
 Breaugh, M. J. (Oshawa NDP)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Eakins, J. F. (Victoria-Haliburton L)
 Eaton, Hon. R. G., Minister without Portfolio (Middlesex PC)
 Epp, H. A. (Waterloo North L)
 Foulds, J. F. (Port Arthur NDP)
 Gordon, J. K. (Sudbury PC)
 Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
 Haggerty, R. (Erie L)
 Hodgson, W. (York North PC)
 Kerrio, V. G. (Niagara Falls L)
 Lane, J. G. (Algoma-Manitoulin PC)
 Laughren, F. (Nickel Belt NDP)
 McClellan, R. A. (Bellwoods NDP)
 McKessock, R. (Grey L)
 Newman, B. (Windsor-Walkerville L)
 Riddell, J. K. (Huron-Middlesex L)
 Rotenberg, D. (Wilson Heights PC)
 Roy, A. J. (Ottawa East L)
 Ruston, R. F. (Essex North L)
 Turner, Hon. J. M., Speaker (Peterborough PC)
 Wildman, B. (Algoma NDP)
 Wrye, W. M. (Windsor-Sandwich L)



Ontario, LEGISLATIVE ASSEMBLY

No. 62

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Tuesday, June 1, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, June 1, 1982

The House met at 2 p.m.

Prayers.

CORRECTION OF MEDIA REPORTS

Mr. J. A. Reed: Mr. Speaker, I rise on a point of personal privilege concerning a question I asked of the Minister of Transportation and Communications (Mr. Snow) yesterday in this House. Apparently, somewhere along the line, some of the news media that picked up the story, namely the Canadian Press news service and the Canadian Broadcasting Corp., interpreted the questioner's name as that of my colleague the member for Rainy River (Mr. T. P. Reid).

Although I am very happy to share this moment with my most able colleague, I would like members of the media who are here at least to take a good look at the member for Halton-Burlington and remember that his name is spelled "Reed" and not "Reid" and that it was I who asked the question concerning the great town of Acton in the riding of Halton-Burlington.

Mr. Speaker: I am sure this has been well clarified and that the mistake will not be made again.

VISITOR

Mr. Speaker: I would ask all the members of the Legislative Assembly to join with me in recognizing and welcoming in the Speaker's gallery Dr. Guido Guidi, president of the regional council of emigration, Umbria, Italy.

STATEMENTS BY THE MINISTRY

DEATHS AT HOSPITAL FOR SICK CHILDREN

Hon. Mr. Grossman: Mr. Speaker, I want to advise the House today of the appointment of the remaining members of the Hospital for Sick Children review committee. They are:

Joan Gilchrist, director of the school of nursing at McGill University in Montreal. She is the past president of the Canadian Nurses Association, president-elect of the Canadian Association of University Schools of Nursing and a former director of nursing at the Jewish General Hospital in Montreal;

Dr. Hugh McDonald, president and chief

administrative officer of St. Paul's Hospital in Vancouver. He is a past president of the British Columbia Health Association and a former director of institutional services with the Saskatchewan Department of Health; and

Dr. Henry Nadler, dean and professor of paediatrics at Wayne State Medical School in Wayne, Michigan. He is a former chief of staff at Children's Memorial Hospital in Chicago and chairman of paediatrics at Northwestern University.

These three distinguished health care professionals will join Mr. Justice Charles Dubin of the Ontario Supreme Court whose appointment I announced last week.

The terms of reference provide that they, and I quote directly:

"Be appointed under section 7(a) of the Public Hospitals Act to inquire into, investigate and report to the Minister of Health, including interim reports as they deem expedient, on the quality of the management and administration of the hospital and the quality of the care and treatment of the patients in the hospital, with specific reference to whether the hospital has instituted appropriate patient care practices and procedures to protect the safety and security of its patients;

"And that they report to the Minister of Health immediately whenever they ascertain that the practices and procedures in respect of any particular aspect of patient care are inadequate or insufficient to protect the safety and security of the patients;

"And that for these purposes they give priority to aspects of patient care which arise out of:

"(a) The reasons for judgement of His Honour Judge David Vanek, given on May 21, 1982, in *Her Majesty the Queen versus Susan Nelles*; and

"(b) The verdict of the coroner's jury in the inquest into the death of Jonathan Murphy given on May 28, 1982."

While I believe these terms of reference are sufficiently broad to allow the committee to carry out a thorough and searching review, I have told Mr. Justice Dubin that we will broaden them or provide any additional powers if he finds subsequently that this is needed.

As I told the House last Tuesday, the primary task of this committee is to review all the

practices and procedures related to patient care and patient safety in the hospital and satisfy itself that they meet the standards of excellence expected in a world-class institution such as the Hospital for Sick Children.

The committee members are to report immediately to me and to the hospital if they find any immediate changes must be made as a result of their review. I will make any interim or final reports public as soon as I receive them, consistent with my desire to inform the public and particularly parents about conditions in the hospital.

I want to emphasize once again that this committee will not be involved directly with investigating the tragic deaths at the hospital. That responsibility lies exclusively with officers within the criminal justice system. The concern of the Ministry of Health must be with conditions in the hospital at this time.

As the honourable members will recognize, the four investigators have substantial other commitments which they have agreed to set aside temporarily to participate in this review. While they have only general knowledge of the specifics of this matter, they have all said they are aware of the impact these deaths have on the hospital, which they know to be a vital component of paediatric care and treatment in North America.

The review committee does not intend to hold any public hearings. However, it intends to invite, through advertising next week, any institution, organization or individual with knowledge in this matter to contact it so they may be interviewed by the committee on a confidential basis. In the meantime, anyone who wishes to contact the committee may write to it in confidence at the Hospital for Sick Children Review Committee, MGS Box 16, Queen's Park, Toronto.

Finally, I would like to repeat once again that the hospital has instituted a number of procedures over the past 14 months in the area of patient care and safety and its performance has been viewed favourably by the Canadian Council on Hospital Accreditation. I am assured it welcomes this review by the four investigators and that it is determined, as I am, to see that the Hospital for Sick Children provides the highest level of care that is humanly possible.

INCOME MAINTENANCE PROGRAMS

Hon. Mr. Drea: Mr. Speaker, I would like to take this opportunity to inform the House of some significant initiatives my ministry will

undertake in the province's income maintenance programs.

As the honourable members are aware, the ministry has been conducting an ongoing review into areas of possible improper discrimination in the family benefits and general welfare assistance programs. This review has already resulted in the following initiatives:

2:10 p.m.

The extension of eligibility to disabled female spouses on the same basis as disabled men with families. Yesterday, in my speech to the Ontario Municipal Social Services Association, I announced, after a thorough review, that single fathers will be eligible for family benefits as of July 1, subject to the same criteria as sole-support mothers in this program.

I want to emphasize the eligibility of sole-support fathers for FBA will apply to longer-term clients as this program is designed to assist persons who are in long-term need. With these changes very significant areas of discrimination are being removed from the family benefits program.

I would also like to bring members up to date on recent developments regarding my previously announced intent to transfer delivery responsibility for able-bodied family benefits recipients to municipalities.

Mr. Mancini: Who is going to Brussels next?

Hon. Mr. Drea: Not me.

Mr. Mancini: I don't blame you. I wouldn't go either.

Hon. Mr. Norton: You wouldn't be invited.

Mr. Speaker: Proceed, please.

Hon. Mr. Drea: As many members are aware, the general issue of delivery of income maintenance has been the subject of considerable discussion for a number of years as there has been a very real need to reduce or eliminate the existing duplication of effort that now exists, since both municipal and provincial governments deal with common clients simultaneously, and rationalize the provision of support services necessary to assist applicants and recipients to become independent of social assistance.

Accordingly, over the next several months we hope to put in place up to eight test projects in selected municipalities across the province where we would functionally integrate the administration of the Family Benefits Act and the General Welfare Assistance Act for single parents. We would like to run all the tests until the end of

1983. This will give us at least 14 to 16 months to assess the operation of each project and determine future courses of action.

Municipalities will be contacted over the next two weeks and we will fine-tune the details and arrange for implementation. I want to make it clear this is an administrative integration only. The funding mechanism and rates paid to recipients will not change. At the same time, the province will continue to administer the Family Benefits Act to the disabled and permanently unemployable recipients.

Since I first announced this initiative last year, a great deal of discussion has taken place between the ministry, municipalities and other groups. From these discussions we have developed a set of criteria for delivery integration and a set of guidelines for the funding of employment support services.

As part of the integration, an appropriate level of personnel and other resources will be made available from the province to the participating municipalities during the life of the test projects.

It is our intent that the municipal administrator have functional and program responsibility over all staff involved in the pilot tests. In this connection I wish to stress that both municipal and provincial staff would continue to be employed by their respective jurisdictions and operate under existing conditions. The integration at this stage would be simply functional. All costs related to the administration of the family benefits program will continue to be the responsibility of the province in terms of staff, transfer payments and related expenses.

Turning to the area of employment support, it has been widely recognized that many able-bodied social assistance recipients face a number of barriers when returning to full-time labour force participation. For many years our philosophy has been that able-bodied persons in receipt of social assistance should be attempting to attain self-sufficiency. However, an objective examination of the program and projects we have put into place reveals that a general emphasis of the social security network is to help clients once they have a job.

Very little has been done by way of support to assist clients in obtaining a job. For instance, under family benefits we provide a phase-out allowance to any recipient who withdraws from benefits and returns to work on a full-time basis. In contrast, there are no formalized programs which will assist the recipient in looking for employment.

We hope to respond to this gap in service by providing an array of employment supports and other related services including: preparation of individualized employment and training plans; information and referral regarding appropriate programs or opportunities; pre-training and pre-employment assistance; job search assistance and counselling; assistance with child care requirements.

We intend to introduce these supports on a test basis in about 10 municipalities, including all the municipalities participating in the FBA/GWA functional integration test projects. Participating municipalities will be asked to prepare an overall plan which will indicate how existing services and new services will fit together to provide the above range of supports.

With respect to child care, we intend to introduce sufficient flexibility to enable sole-support parents requiring child care to choose the form most suitable to their individual circumstances. During the test projects we hope we will be able to offer a full range of child care alternatives.

I would like to make it clear that at this time I am not contemplating the use of any sanctions to require able-bodied recipients to seek employment. We believe recipients will respond to work opportunities on a voluntary basis.

In closing, I am sure these new directions will go a long way towards improving the delivery of our income maintenance programs and reducing long-term dependence on social assistance. In fact, I am confident we will be able to turn the corner on the dependency cycle, the prime goal of every social assistance program.

CAPITAL WORKS PROJECTS

Hon. Mr. Snow: Mr. Speaker, I announced last week that my ministry and the Ministry of Northern Affairs had received \$60.5 million through the Board of Industrial Leadership and Development program, which is to be used in the creation of nearly 2,500 jobs in the province.

Today, I would like to bring the House up to date on the other projects which BILD funds have enabled the Ministry of Transportation and Communications to accelerate in the past year, and detail the additional work to be undertaken in 1982-83.

The original BILD allocation of \$25 million was to serve as a stimulus to the construction and to related supplier industries while improving the movement of people and goods on the highway network in the Golden Horseshoe. This resulting radial roads program saw con-

struction advanced on a total of 10 projects last year, specifically on Highways 403, 404, 406, 427 and 7N.

In addition to the value of work carried over against our 1982-83 allocation of \$25 million, we hope to advance six additional projects this year. They include three contracts for improvements to the Queen Elizabeth Way between Burlington and Hamilton, advance work on Highway 410 at Brampton, Highway 7N at Peterborough and grading on Highway 403 between Brant Road 25 and Highway 53.

As I mentioned earlier, the obvious results of advancing these 16 projects are short- and long-term benefits to the road construction industry and for the more efficient movement of people and goods.

Mr. Mancini: It is still nonsense.

Mr. Speaker: Order.

Hon. Mr. Snow: Less obvious is the encouragement of growth through the provision of new sites for industry. With these benefits, the radial road project advancement program supports the intent of the government's BILD program, which is to reinforce the strengths of the Ontario economy.

Mr. Mancini: Mr. Speaker, on a point of privilege: I would like to take this opportunity to welcome back the Treasurer of Ontario (Mr. F. S. Miller) who has returned from his government junket to Japan—

Mr. Speaker: Order. Will the member please take his seat?

Mr. Mancini: It is absolutely disgusting; he introduced a budget and then left the province and was not here to answer the questions of the members of the assembly.

Mr. Speaker: Order. I would remind all honourable members that when I am standing they must take their seats or suffer the consequences.

Mr. Mancini: I apologize, Mr. Speaker.

Mr. Speaker: Order.

ORAL QUESTIONS

DEATHS AT HOSPITAL FOR SICK CHILDREN

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Health. I welcome his statement of today. It appears to be a blue-chip panel that will be investigating the current problems at the Hospital for Sick Children.

2:20 p.m.

However, would the minister not agree there are a number of significant questions that will go uninvestigated as a result of this inquiry, even coupled with the police investigation going on at the present time? There are a number of questions with respect to reporting, informing parents, the role of the coroner's office and what transpired at the hospital during that period of time when these mysterious events were taking place.

Would the minister not agree those questions are not being looked at, either by his inquiry or by the police? We are going to have to look seriously at those questions, given the amount of anxiety that exists about what transpired in that hospital a year or so ago.

Hon. Mr. Grossman: Mr. Speaker, I do not agree that all those questions will not be looked into in the course of either the criminal investigation or the Dubin investigation. All those questions will be reviewed. As the Attorney General (Mr. McMurtry) has indicated, there is a possibility there will be a further inquiry. Ultimately, as a result of these processes or perhaps a further one if necessary, all those questions will be reviewed.

Mr. Peterson: At this point we have the minister's personal assurances, but so far all we see is a closed inquiry. The minister makes a point of saying it will not be open to the public. Almost every day we have read in the press about an anxious parent who was contemplating putting his or her child in the hospital now, or did in the past, and who was not aware of what transpired.

There is a tremendous breakdown of communications and the anxiety that results therefrom must surely give the minister pause. Surely he must realize the best way to clear the name of the Sick Children's Hospital, not only now but for what took place in the past, is to have an open inquiry to make sure everyone is fully informed of what transpired and is assured it will never happen again.

Hon. Mr. Grossman: If the Leader of the Opposition will look at his words "informed of what transpired" and "what procedures are in place," that is what we want to ascertain—what procedures are in place and what procedures ought to be in place.

I think it is important that the public not be in a position where it is confused and has its fears compounded by allegations that will certainly be made in a public forum, many of which may turn out to be unfounded. Also, he must under-

stand that the Dubin investigation is far more likely to get information if it is relayed on a confidential basis, so people need not worry about reprisals or discovery. They should not be inhibited at all from being able to present that information to the Dubin investigation. I think it is very important that we proceed down that route.

Finally—and the Attorney General has been over this many times with the Leader of the Opposition—it is quite obvious that some of the things he continues to ask for would impede the course of the criminal investigation. I am sure he would agree with me that the most pressing matters are, first, to find out who the perpetrators of the criminal acts are, and second, to ascertain that the hospital is a safe, well-run hospital today. Between the Attorney General's operation, the police and the Dubin investigation, we will address both those matters quite thoroughly.

Mr. McClellan: Mr. Speaker, I must confess I am a bit confused because of the minister's response to the member for Brant-Oxford-Norfolk (Mr. Nixon) last week.

Can he say if Mr. Justice Dubin's inquiry will be looking into the allegations about the hospital failing to notify other interested parties? It has been alleged that during the course of the Sick Children's Hospital's internal investigation into 15 deaths between July 1980 and December 1980, the hospital failed to involve its own pathology department and failed to notify the coroner's office. Will the Dubin inquiry be looking at those allegations within its terms of reference?

Hon. Mr. Grossman: Mr. Speaker, I have tried to make it clear that between the criminal investigation and the Dubin investigation, all those matters will be reviewed. Under which of the investigations the procedures and questions will fall is a matter which ultimately has to be resolved between the persons involved, that is, Mr. Justice Dubin and the police. I do not want anything to get in the way of the search for the murderers in this case. That is our primary goal at the present time, while we also go about ensuring that safe procedures are in place.

Who, ultimately, is going to end up reviewing those matters and reporting on them, will be something that will have to be determined in the course of these two investigations. It could be that we will look at a further inquiry, as the Attorney General has indicated, if that is warranted. Let me make it clear that in the course of

one or other of the investigations or inquiries, all of those details will be covered.

Mr. Peterson: Because it appears, at least in many people's minds at the moment, that a great deal of truth has been suppressed, and a number of people are hungering for information as to what happened to their particular child—I just use that as an example—did the minister not feel that it would be better to leave it to a commissioner to decide what does or does not come out? In this particular case, wouldn't his or her judgement be better than a politician's response or even a policeman's judgement about what is held in camera and what is not?

All of the questions that we put forward yesterday are going to have to be answered some way or other and, frankly, we are not satisfied that either of the minister's present forms of investigation are going to answer the questions that must be answered. Why doesn't the minister start it now? It could operate parallel with the police investigation, which would have paramountcy, and could in fact assist the police investigation. There is absolutely no reason one has to interfere with the other.

Hon. Mr. Grossman: The Leader of the Opposition may have attended a different law school from the Attorney General and me.

Mr. Bradley: I hope so.

Hon. Mr. Grossman: I agree he attended a different school of politics from us. That is why we are on this side of the House and why we have a reputation for being responsible while he tries to look for some sensationalism—

Mr. Speaker: Order. Now to the question, please.

Mr. Riddell: When has the Attorney General ever been right?

Mr. Speaker: Order.

Hon. Mr. Grossman: Mr. Speaker, the Leader of the Opposition can phrase this question as many ways as he wants but it comes down to a question of whether the Leader of the Opposition is more qualified to establish the proper route for finding out who the murderers are and how to establish the proper procedures in the hospitals, or whether the police who are conducting this investigation, and the esteemed Mr. Justice Dubin, are best able to sort those matters out.

I have to say, with all due respect, given the esteemed persons who are involved in both the criminal investigation and the investigation I

have set up under the Public Hospitals Act, I am quite confident that all the facts will come out, all the procedures will be reviewed and all the questions the honourable member has raised will be satisfied.

The course the Leader of the Opposition continues to advocate is the most dangerous and sloppy course from the standpoint of assuring everyone that we will catch the perpetrators of these terrible acts.

Mr. Peterson: The minister is right, of course, if he believes that the public cannot stand the truth, which is exactly the premise of his approach.

Hon. Mr. Grossman: On a point of order, Mr. Speaker: that is a very serious allegation the Leader of the Opposition is making, that this government believes the public cannot stand the truth.

This government has appointed an esteemed justice of the Supreme Court of Ontario to conduct a thorough investigation. If the Leader of the Opposition does not think he and his team are qualified to conduct that investigation, let him go out and say that. That is his right under our system. But for him to suggest that this government does not want the public to find out the truth behind these horrendous murders is irresponsible and ill suits the office of even that member of the House.

Interjections.

Mr. Speaker: A new question, the Leader of the Opposition, without any editorial comment.

Mr. Peterson: That was a foolish point of privilege.

TAX ON NONPROFIT ORGANIZATIONS

Mr. Peterson: Mr. Speaker, I have a question for the Treasurer, and let me welcome the Treasurer home. I am sure we are the only people in the province who are glad to have him home so we can force him to explain this fatuous budget that was brought to the people of Ontario just before he left.

2:30 p.m.

The Treasurer may or may not be aware that he has decided to use his executive prerogative to exempt Meals on Wheels programs from sales tax. Presumably that brings into play the test of essentiality. Why has he not, in his wisdom or the ministry's wisdom, decided to exempt other low-priced meals that are equally essential for seniors, for students, for workers, and for others who do not have the facilities to prepare meals for themselves, where it is essen-

tial that they dine out? Why has he not extended the principle that he has just adopted?

Hon. F. S. Miller: Mr. Speaker, the regulations are being drafted by the Ministry of Revenue, and I believe the minister was asked a question along these lines yesterday. I have been reviewing the regulations since I returned last night. I find that, for example, the spirit is being followed quite properly in that we are exempting church dinners and some dinners of that nature where the fund-raising is of a charitable nature. That was one of the ones that—

Interjections.

Mr. Speaker: Order.

Mr. Riddell: Thank God for the opposition. If it were not for the opposition, people would be ripped off more than they are being.

Interjections.

Hon. F. S. Miller: I think it will be found that regulation was written before the interventions were allegedly made. I can assure the honourable members one of the great advantages—

Interjections.

Hon. F. S. Miller: We, on this side of the House, have always found ourselves flexible enough to write regulations in the spirit of the law and will continue to do so.

Mr. Peterson: Yesterday, the Treasurer's friend, the Minister of Revenue (Mr. Ashe), was defending the fact that the Treasurer was taxing church suppers. I congratulate him for changing his policy. Why would he not extend that policy to the area of essential meals for students and people who are obliged to go to cafeterias at noon hour? Is the Treasurer aware of some of the inequities that the program has brought about—such as forcing Brantford Collegiate Institute to have a separate line saying, "Residents of the reserve: no tax payable on their meals," so that the Indian kids are getting french fries and chips for the other kids going to school? Does he like that kind of result from the taxes he has brought in?

Hon. F. S. Miller: That kind of difference, as it relates to native people, has existed for a long time—for example, with cigarettes and gasoline. If one looked back at the number of cigarette sales that have passed through the reserves of this province, and divided it by the number of people on the reserves, one would find quite a high number have passed through the reserves tax exempt, simply because that is one of the rights the native people were given in

this province. It is a right we continue to honour. We do honour the treaty rights.

One would need to read carefully, as I did, my colleague's answer to the question yesterday. He pointed out that if a church or charitable institution was selling at a fair, on a steady basis, in competition with other suppliers of food, it would be deemed to be taxable. That is what he said yesterday. The clarification will be spelled out in the regulations giving those conditions where taxes are exempt.

Mr. Foulds: Mr. Speaker, I have a supplementary question for the Allan MacEachen of Ontario as he retreats on his budget.

I would like the Treasurer, now that he has retreated from the adamant stand taken by the Minister of Revenue yesterday, to admit it would be unfair for the United Church ladies' auxiliary to have in a booth a sign that said, "Get your tax-free hot dog here"—

Interjection.

Mr. Foulds: That is what the Minister of Revenue said. Now that the Treasurer has retreated on that—

Hon. Mr. Stephenson: He has not retreated on that.

Mr. Foulds: Oh, he has not retreated on that?

Interjections.

Mr. Speaker: Order. Now may we have a supplementary?

Mr. Foulds: Certainly. Will the Treasurer tell us what he has retreated on in terms of exemptions to the sales tax and whether he will expand that retreat to include other essential items, such as meals in cafeterias, school supplies and meals costing less than \$6 in all areas? What other areas will he retreat to now that he has retreated on the church suppliers?

Hon. F. S. Miller: Mr. Speaker, we did not retreat. This government tends to go forward, not backward. All I pointed out, and I thought the honourable member heard me—

Interjections.

Mr. Speaker: Order. I know there is a very high level of interest in these questions and in the answers, and I ask the co-operation of all members so that we can all hear the answers.

Hon. Mr. Welch: We surely could hear the question.

Hon. F. S. Miller: Yes, we could surely hear the question.

In the latter part of my response to the Liberal Party, I tried to explain that where churches set

up competitive booths, such as at a fall fair or with some such item where they are competing directly, they would be taxable—that is the hot dog bit which the member for Port Arthur just waved around. However, where they have special-event dinners, there will be clearly defined exemptions within the regulations.

Mr. T. P. Reid: The Treasurer is retreating on one leg.

Mr. Speaker: Order. The Leader of the Opposition has the floor.

Mr. Peterson: It is very clear that the Treasurer, upon his return, has just made an Ashe of himself on this subject.

The Treasurer is aware that the Ontario food service industry has suggested that removing the \$6 exemption and taxing all these meals is going to cost 7,500 jobs in Ontario. He is doing this to generate, in his judgement, about \$110 million—which, I remind you, Mr. Speaker, is roughly the interest on Suncor for one year—even though the industry's figures say it will cost the industry \$170 million in revenue. How can the minister come into this House and say he is prepared to saw off those 7,500 jobs which they say they will lose from this iniquitous new round of taxation that he has brought in on meals, albeit a lot of them essential?

Hon. F. S. Miller: I do not believe that it will cause that loss of jobs. It is an industry that I know reasonably well. I do believe the Leader of the Opposition will find that I am quite properly taxing a retail sale like most other retail sales and that it is properly taxable and is taxed by many provinces in the way we are doing it.

Mr. Peterson: No other province does it.

Mr. Speaker: Order.

FOOTWEAR INDUSTRY

Mr. Foulds: Mr. Speaker, I have a question for the Treasurer about the shoe industry. He will be aware that the anti-dumping tribunal report of February 1981 respecting the Canadian footwear industry found that imports were unduly and unjustly causing injury to the domestic industry. He will be aware also that when the Newfoundland fishery gets into difficulty, Mr. Peckford is heard right across the country on the matter. In addition, he will be aware that when the Alberta oil industry gets into difficulty, we hear loud and clear from the Premier or the government of that province.

Can the Treasurer explain why it is that this province has not been very forceful and has not been very public in its defence of the Ontario

footwear industry and its workers against the barrage of shoe imports? What action is he willing to take to counteract the effect that this dumping of imports is having on the industry in Ontario? More than half the Canadian shoe industry is in this province, and a recent survey showed that in the 22 firms in Ontario, employment has dropped one third, from more than 7,000 to fewer than 5,000.

2:40 p.m.

Hon. F. S. Miller: Mr. Speaker, I would not be able to say what percentage of the industry is in Ontario or Quebec, but it struck me the larger percentage was in Quebec. However, it is of importance. I know the member for Cambridge (Mr. Barlow) has an interest in this and has expressed concern to me about it.

Obviously this government does make recommendations to the federal government to protect jobs within the country when it feels that unfair trade practices exist. We have done that loudly on behalf of the automotive industry, some 80 to 90 per cent of which is domiciled in Ontario. That was the very purpose of my recent trip to the Far East. There are probably more jobs at stake in the automobile industry and in the parts-related industries in Ontario than in any other single industry, and it too is being hurt by those kinds of actions.

Whenever actions are taken in restraint of trade or through dumping or through nontariff barriers that protect countries against the reverse flow of our efficiently manufactured goods, I think we have not only a right but also an obligation to stand up and make it known. I also know that the honourable member is keenly aware that this is federal domain. All we can do is make our views known.

Mr. Foulds: Will the Treasurer make a commitment to introduce in this House a special resolution to be debated and voted on which demands that Ottawa reverse its present policy of exempting leather footwear? Will he endorse the principle of a global quota on imported shoes so that Ontario and Canadian manufacturers can have access to at least 50 to 60 per cent of the market?

Hon. F. S. Miller: I certainly sympathize with the objectives the member is expressing, and therefore we are not disagreeing in principle at all. I do not think it is my responsibility to bring that resolution forward, but I believe it is the kind of thing that is a very good point to debate on a Thursday afternoon and have a free vote on.

The fact remains that we have our channels. The Minister of Industry and Trade (Mr. Walker) and I are able to use those channels, and we do use those channels.

Mr. O'Neil: Mr. Speaker, the minister has mentioned the work he has done in trying to protect the automotive trade in Ontario. I wonder if we could have a commitment from him and his government that they will do a study of this area to see if there is definitely a problem and report back to this House. Could we have a commitment that he will support the shoe industry in Ontario?

Hon. F. S. Miller: Mr. Speaker, I quite agree with the member for Port Arthur. I think the problem has been established beyond doubt. The problem exists; it exists in a number of other areas.

One of the things we tend to forget in this world is that we are free traders. We accept the fact that if another country can make a product more efficiently or at lower cost than we can, our consumers should benefit from the quality or price of a foreign manufacturer. We have always done so on the assumption that this kind of attitude would be reciprocated, that Canadian goods which were efficiently made would be allowed to enter foreign countries.

Lumber is a classic example of one product that is denied entry on an open basis to the very country I just visited. Food is another. Many countries are protecting themselves through all kinds of barriers, and those have caused me of late to become much stronger in my protectionist stance. That is one of the reasons I carried a fairly strong message to Japan recently.

Mr. Cooke: Mr. Speaker, this industry has extreme importance for Ontario, particularly in some regions of the province. In view of its importance, should the Treasurer not have seen that a major statement on this industry and a raising of the sales tax exemption on children's shoes from \$30 to at least \$60 as part of his budget would be a psychological boost, if nothing else, for this industry?

Hon. F. S. Miller: Mr. Speaker, the problem there is that the exemptions from sales tax apply to shoes no matter what their origin. This perhaps even exacerbates some of those problems. I would argue that the quota system that was in place until a year or so ago—I am not quite sure of the date when the quota was relaxed on shoes—gave a real boost to the Canadian shoe industry for about three to five years. For a period of time, our shoe manufac-

turers were exceedingly busy because of that protection. I believe that is the best route to go and I believe it is the one that should be maintained, particularly in the face of evidence that says dumping exists.

SPALDING CANADA

Mr. Foulds: Mr. Speaker, I have another question for the Treasurer about plant closings. Why is his government willing to allow the US-based Questor Corp. to terminate the jobs of 281 Brantford workers by closing its Spalding Canada subsidiary? How does the minister justify that loss of jobs as Ontario is slowly being transformed, because of budgetary initiatives, from a province of producers to a province of mere warehousemen and packagers for foreign companies?

Hon. F. S. Miller: Mr. Speaker, I honestly cannot answer the details of that question. It would be better addressed to the Minister of Industry and Trade (Mr. Walker) when he is here. I suggest it should be answered by him on another day.

I fear very greatly for a number of industries, parts of which have been closing and going to the United States. I believe the Minister of Labour (Mr. Ramsay) recently made some comments on that problem. One of the points a number of finance ministers have made in Canada—including Mr. MacEachen, in a more general way—has been that over the last two years we have seen our unit cost increases in this country exceed those of our neighbours to the south. This has led to many operations becoming unprofitable in this country as opposed to the States.

Mr. Foulds: Is the minister not even aware that the workers in that plant agreed to a wage freeze in 1978, to an increase of merely four per cent in 1979 and to a six per cent increase in the third year of their contract? Yet with those wage concessions, the company is still going out of this province without a whimper from the government. Will the minister not agree it is about time his government brought in plant justification legislation? When a plant is closed like this, they give no justification; they just go out and make that plant a warehouse.

Hon. F. S. Miller: I pointed out that question was best answered by the Ministry of Industry and Trade and I leave it at that.

Mr. Wrye: Mr. Speaker, surely the Treasurer

is aware that the statistics that came out earlier this week from the Ministry of Labour showed that a total of more than 8,000 employees have been affected in the first three months to date by reduced operations and partial or full closures. Why is the Treasurer not willing to take some action to ensure that this continuing flight of companies out of the province, taking away more and more jobs, is not at least halted and perhaps reversed? Why are the Treasurer and this government not willing to take any action to force companies to justify these closures?

Hon. F. S. Miller: Mr. Speaker, That is the kind of comment I would expect from the New Democratic Party rather than from the honourable member. I would hope that he, in a city like his where he knows he has had major labour problems, would realize that that kind of talk about forcing companies is the surest way to send them to other jurisdictions. He knows it and I know it. I can only say that I, as opposed to the federal government, took a number of job-stimulating actions in the budget that encourage investment in this province. The federal budget drove people out of Canada.

Mr. Wildman: Mr. Speaker, is the Treasurer not aware that the Brantford plant that used to produce baseballs now has those imported from the Haitian operations of Questor? They used to produce golf balls and now it appears, after the shutdown, all they are going to be doing is spraying and stamping them. Yet this government still goes to foreign jurisdictions and says it wants more foreign investment. When is this government going to stand up and say to multinationals that if they are going to operate in this province they have to ensure there are manufacturing jobs for workers in Ontario? When is it going to say that if there are not going to be manufacturing jobs for workers in Ontario then we are not interested in that foreign investment?

2:50 p.m.

Hon. F. S. Miller: Mr. Speaker, that, of course, assumes tariff walls to keep out lower-cost goods. I am not sure whether the NDP has been in favour of raising the price of consumer items or not. I will tell the honourable member what I am for, and that is jobs for more Ontario people. That is the message I carried to Japan. One of the things I said consistently was this: "We are glad to buy your product. It is well made; it is well priced. But if Canadians do not

have jobs because you are not buying parts from us, there will not be any cars sold here."

HAMILTON HARBOUR WATER QUALITY

Ms. Copps: Mr. Speaker, I have a question for the Minister of the Environment. The minister may be aware that Hamilton harbour and Windermere basin were identified by the International Joint Commission in November of last year as one of the most environmentally degraded water bodies in the Great Lakes basin. The concentrations of polychlorinated biphenyls in the sediments in the Windermere basin are the highest documented in Canada.

A report not yet released by the minister's Hamilton regional office shows that the ministry's own sediment guidelines are being exceeded 34 times for zinc, 14 times for lead, 12 times for cadmium, five times for mercury and four times for organic substances. Given this environmental nightmare, why has his ministry done nothing to monitor the situation? What plans does the minister have to clean up the Windermere basin and Hamilton harbour?

Hon. Mr. Norton: Mr. Speaker, the situation in Hamilton harbour is not something that anyone became aware of just recently. Because of the intensely concentrated industrialization in the immediate area of the harbour over many years there has been a very excessive load on the capacity of that harbour.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Norton: We are very aware of this situation, and on a number of occasions we have been in communication with the local municipality on the matter. At this point I cannot be specific about the precise—

Ms. Copps: It is your own report.

Mr. Speaker: Order.

Hon. Mr. Norton: Listen. All right. Calm down, my dear. Don't get excited. The simple fact of the matter—

Interjections.

Mr. Speaker: Order. Order. I would remind all honourable members that interjections are completely out of order.

Supplementary, the member for Hamilton Centre.

Ms. Copps: This is not a supplementary, Mr. Speaker. I understood the minister to call me "my dear." It was not an interjection; it came from the minister, and I would ask that he withdraw that remark.

Mr. Speaker: Obviously the minister has offended the honourable member, and I would ask him to withdraw the offending remark.

Interjections.

Hon. Mr. Norton: Mr. Speaker, I really did not—

Interjections.

Mr. Speaker: I would just remind all honourable members that perhaps, given the minister's marital status, he finds that a bit more difficult than some of the rest of us.

Mr. Cunningham: Mr. Speaker, if he refers to me as "dear," my wife will be upset. But I would like to ask the minister through a supplementary—

Interjections.

Mr. Speaker: Order.

Mr. Cunningham: Dr. Michael Zarull of the Ministry of the Environment has stated that the harbour still receives more waste than it can absorb and decompose. Given the present state of the Windermere basin, and because the Hamilton sewage treatment plant just meets an outdated phosphorus effluent standard, would the minister commit himself now to a program that will environmentally revitalize Hamilton harbour?

Hon. Mr. Norton: Mr. Speaker, I can assure honourable members that this is clearly the objective. With regard to a specific program, at this time I cannot be specific. I can indicate—and I was about to do this when the member for Hamilton Centre was offended by my reference—that I was a little concerned about the nattering that "it was your report." I was never saying that we had not been looking at it; in fact, I said we had been very aware of it and concerned about it. I will be having within a matter of—

Interjections.

Mr. Speaker: Order.

Ms. Copps: What is the minister going to do about it? George Kerr was looking at it in 1975.

Mr. Watson: Why don't you listen to the answer?

Hon. Mr. Norton: The next step in the process is a meeting which I have set up with the local municipal officials in the near future. Once that has been held, I think we can move on to something more specific.

Mr. Charlton: Mr. Speaker, the minister made the point, and I think quite correctly, in the answer to the original question, that the Hamilton harbour situation is a rather long-standing problem. Yet he is saying he cannot tell

us anything specific. How long are we going to spend trying to decide what we have to do to clean up Hamilton harbour? When is he going to start taking the public into consultation as part of the process, as well as the groups that have been working on the Hamilton harbour problem? Then we could all be part of developing the solutions.

Interjections.

Mr. Speaker: Order. I would ask the co-operation of all members not to converse back and forth while the question is being asked. Having said that, the Minister of the Environment will proceed.

Hon. Mr. Norton: Mr. Speaker, I am sure all the members understand that the situation of Hamilton harbour is not simple, but rather is a complex combination of influences that have created the present situation. It is not going to be a simple matter to redress those or to move in the direction of restoring the ecological health of that harbour.

There are a variety of things that have to be looked at, ranging from matters relating to storm runoff to industrial effluent and the appropriate higher levels of treatment of that. It is going to be a while before those are in place. It is certainly something which is actively under consideration and is being looked at by the ministry. It will involve consultation with municipal governments at the regional level. Presumably, through them, it will involve local citizen participation at the appropriate time.

Mr. Laughren: Mr. Speaker, I have a question for the Minister of Labour.

Mr. Cunningham: Stand up and say it; you don't have a program.

Mr. Mancini: You don't care about the harbour; just admit it.

Mr. Speaker: Order. The member for Nickel Belt has the floor. Please proceed.

INCO DISPUTE

Mr. Laughren: Mr. Speaker, I have a question for the Minister of Labour. I am nervous about proceeding when you are on your feet, sir.

Mr. Speaker: I will ride shotgun for you.

Mr. Van Horne: Surrender, Floyd.

Mr. Laughren: I have a question of the Minister of Labour concerning the strike between Inco Metals and Local 6500 of the United Steelworkers in Sudbury. The strike has now begun and there is general agreement that if

Inco Metals gets its way in this dispute there well could be a prolonged strike.

Since conciliation and mediation services of the Ministry of Labour were involved in this dispute in the latter stages, can the minister tell us whether he knows why Inco Metals refused to discuss either a one-year, two-year or three-year contract based on the Thompson, Manitoba, settlement of late 1981?

Hon. Mr. Ramsay: Mr. Speaker, I do not think it would be appropriate for me to comment on the bargaining that went on during the process over the past few weeks and months other than to say that our conciliation and mediation services were involved heavily; I would like to think they were competently involved, although the final results might indicate otherwise.

I have a great deal of confidence in the senior people in conciliation and mediation services. I think they did everything within their power to try to have an agreement reached. I do not think it is appropriate for a Minister of Labour to make comments on the position of the labour force or of management.

3 p.m.

Mr. Laughren: Is the minister aware that by offering basically only the cost-of-living allowance increase as opposed to an increase in the base wage rate, Inco was waving a red flag to the membership of Local 6500? About three years ago, when that strike was already seven months old, Inco made the same basic offer of COLA versus increasing the wage rate; the membership rejected that, because they knew it would not increase the base rate on which so many other benefits are based. Does the minister think that is bargaining in good faith?

When these negotiations started, the union said pensions were to be a number one priority. The company offered less to the workers in Sudbury than it had offered to the Thompson workers as a percentage increase. Since the average seniority in that work force at Inco is 20 years, pensions are obviously a very high priority on the part of the workers in Sudbury. Does the minister think that is good-faith bargaining on the part of a company that has taken more out of that community than it will ever put back in, even with a decent offer?

Hon. Mr. Ramsay: I am aware of the matters the honourable member is bringing forward. I still feel that this is an extremely sensitive situation; we are just into the first day of the strike. I can only repeat what I said earlier: I am

not anxious to inflame the situation by giving opinions on one side or the other.

Mr. Wrye: Mr. Speaker, I know the minister is aware and remembers well the length of the last dispute involving the workers at Inco and the company and the fact that it went on almost three quarters of the year. The community of Sudbury has not yet fully recovered from that last dispute.

Before the two sides get dug in and before we get into another dispute that could drag on at great length and really cripple a city still trying to recover, why does the minister personally not take a hand in this dispute and talk to the two sides separately or individually?

Perhaps he should start with the company, since it is now clear that the union has decisively rejected the last company offer, and see whether he could not find some common ground to bring the two sides together before they get dug in. Why does the minister not take a personal hand in this?

Hon. Mr. Ramsay: Mr. Speaker, I do not have to be reminded of the devastating effect of the last strike on the area around Sudbury and on the workers themselves. It was a disastrous strike in every respect.

This dispute now is compounded by the effects of the last one. A premature initiative by my ministry could serve to prolong the dispute. We have to get the two parties together, and that is what we are attempting to do at present. Both parties at the moment have dug in and have established certain positions.

As I said earlier, I have great confidence in the senior people in my ministry, the people who have gained a reputation for expertise and fairness in the bargaining process not only in this province but also throughout the country. At this time, I am inclined to take their advice and not get involved prematurely, but it does not mean I will not get involved at some time.

Mr. Kolyn: Mr. Speaker, I have a question for the Attorney General but, unfortunately, I do not see him in his seat. I will defer it until he returns.

NORONTAIR MOVE

Mr. T. P. Reid: Mr. Speaker, I have a question for the Minister of Northern Affairs. I hope he will be able to lift the lid of secrecy that his ministry seems to have clamped on the operations of norOntair.

Is it true that norOntair personnel and staff will be moved from North Bay to Sault Ste.

Marie? If so, why is it being done and what is it going to cost in these days of government restraint? Will the minister table any documents he has to justify the move at this time and, at the same time, inform the House why the employees and others are not being told the reason for the move or when it will take place?

Hon. Mr. Bernier: Mr. Speaker, there is no secrecy about this particular move; it was announced some time ago. It is a result of a study that was undertaken by my ministry about two years ago which made a number of recommendations in relation to the norOntair operation.

For reasons of efficiency, cost savings and higher visibility for norOntair, as serving all northern Ontario, the study came to the conclusion that there was much to be gained by moving the office of the norOntair operations from North Bay to Sault Ste. Marie, where the Ministry of Natural Resources, which uses the same type of aircraft, has a major maintenance depot; in addition, improved maintenance facilities for repair of radio communications are available in Sault Ste. Marie. That has been publicly announced; so it is no secret.

Mr. T. P. Reid: People in North Bay have been trying to get some information out of the member for Nipissing (Mr. Harris), who among other things has ignored them for some time.

Can the minister tell us how much this is going to cost? Is he saying the facilities used by the Ministry of Natural Resources for repairs and so on will be used by norOntair? And can he assure us that Air-Dale will not have a better chance, shall we say, of getting the contracts when the Dash-8 and everything else comes in?

Because there has not been any public pronouncement, details have not been made available. There are a lot of questions being asked that are not being answered.

Hon. Mr. Bernier: The announcement was made some time ago. As I pointed out, the study has been completed. There are cost-efficiency plays in there that we have recognized and will implement.

The exact costs are not known at this time, but there is no deal with Air-Dale, which the member is fearful of. There is no deal with anybody. The member is from northwestern Ontario, and he should be supporting this kind of move instead of criticizing it.

Mr. T. P. Reid: I just want to know, will you table the report?

Mr. Speaker: Final supplementary; the member for Algoma.

Mr. T. P. Reid: Will the minister table the report for justification? No, he will not.

Hon. Mr. Bernier: The member should be cheering it.

Mr. Speaker: Order. The member for Algoma has the floor.

Mr. T. P. Reid: Table the report. What about open government?

Mr. Speaker: The member for Rainy River will please contain himself and allow the member for Algoma to ask a supplementary.

Mr. Wildman: Mr. Speaker, can the minister indicate what proportion of the regular maintenance work for norOntair is done now by the Ministry of Natural Resources or other government agencies and what proportion is done by the private sector?

Can he also indicate whether in this move there will be any major investment involved at the Sault Ste. Marie airport, at the Springer airport at Bar River or at the Ministry of Natural Resources base in Sault Ste. Marie?

Finally, will he indicate what position the member for Nipissing has taken on this move?

Hon. Mr. Bernier: Mr. Speaker, the co-operation we will receive from the Ministry of Natural Resources in our maintenance and repair will be extensive. Even the reduction of the inventories we have to carry with regard to our aircraft will be substantial because of the combined operation we will have.

In the long term we hope a major facility will be established at Sault Ste. Marie airport to carry out repair services and maintenance work not only for our Twin Otter aircraft serving 21 communities in northern Ontario but also for the Dash-8s that are coming on and will be used in both the northwest and the northeast and will need a major repair and maintenance depot to work from.

We see a very high visibility in the Sault Ste. Marie area for this transportation success story of the decade.

NURSING HOME CARE

Mr. Cooke: Mr. Speaker, I have a question for the Minister of Health, if he will take his seat and stop his lobbying for leadership.

The question concerns the Willson Nursing Home in St. Thomas. I ask the minister whether he is aware of the problems that exist there. On May 25, one third—six of 18—of the nurses aides were laid off, which raised the staffing

ratios at the home. On the day shift the staffing ratio was raised from one staff member to 8.3 residents to one to 11.5. On the afternoon shift the ratio changed from one to 12.5 to one to 16.7, and on the evening shift the ratio of one staff member to 18.7 has been raised to one staff member to 25 residents.

I am wondering whether the minister is further aware that on the same day that the layoffs were announced, this nursing home decided to hire a security guard to work inside the nursing home. Has the minister investigated the situation? Has he anything to report to the Legislature on what can be only described, with that security guard in there, as an outrageous situation in this nursing home?

3:10 p.m.

Hon. Mr. Grossman: Mr. Speaker, I have asked for a full report on the situation and had expected to have it by noon today. It just is not in my hands yet, but I will have it later today and will report on Thursday. I will send a report to the honourable member tomorrow.

Mr. Cooke: Is the minister also going to look at the fact that in this particular nursing home one of the ways of coping with the staff shortage because of the layoffs has been for this nursing home to put condoms on men who are incontinent, 24 hours a day, rather than hiring adequate staff to deal with the problem? According to Dr. Gryffe of the Baycrest Centre in Toronto, in many circumstances this is unsafe and unhealthy. I hope the minister will look into this situation as well and report back to the Legislature on Thursday.

Hon. Mr. Grossman: I think the member is aware of the very strict rules we have laid down and the enforcement we have undertaken with regard to nursing homes in the province. In fact, the member was involved in the case of one nursing home that we insisted be closed because it did not meet our standards.

I know the member is aware of how serious we are about cracking down on those nursing homes that are not meeting ministry standards. Those standards will be applied with equal force to this nursing home when the report of that investigation reaches my hands.

RELEASE OF DANGEROUS OFFENDER

Mr. Kolyn: Mr. Speaker, I have a question for the Attorney General. Mr. Gary Alexander McCorkell has been charged in Etobicoke with attempted murder and sodomy. Is this the same individual who in 1962 was convicted of killing

two babies, Ronald MacLeod, age three, and Michael Atkinson, age two? He was sentenced to die for these two murders, which sentence was commuted to life imprisonment, and he was paroled in April 1981.

Hon. Mr. McMurtry: Mr. Speaker, I do not know. This is certainly something I can inquire into. If it is the same person, it does illustrate the concern a number of citizens of the community have about the release of some highly or potentially very dangerous offenders by the National Parole Board. This is a federal matter. This is something I would be happy to discuss with the Solicitor General (Mr. G. W. Taylor) and get back to the honourable member.

PICKERING LAND EXPROPRIATION

Mr. Roy: Mr. Speaker, my question is to the Minister of Municipal Affairs and Housing. As the minister walks over to his seat, I might state that it is always with a certain amount of trepidation and concern that I raise an issue stemming from a headline in the Toronto Sun and Claire Hoy's column. Nevertheless, it is dealing with what Claire Hoy calls the "sorry saga" of Pickering.

Will the minister confirm that so far more than \$8 million of public funds has been spent on a variety of inquiries, legal fees, etc., in this matter? When can the House expect the full and complete report to the House of where we are in this situation? Finally, I ask the minister, when will we see the end of this whole sorry mess?

Hon. Mr. Bennett: To answer the last question first, Mr. Speaker, I would hope we would see the end of it as soon as possible, since this has been going on for nigh on five or six years.

I cannot confirm or deny the figure of \$8 million. Mr. Hoy's figure is some \$3 million higher than somebody else projected a few months ago. I would have to say that if one were to look at the legal bills, and I am sure the member for Ottawa East knows about legal bills, they were rather substantial since the government and the people of Ontario picked up all the legal costs regardless of who was involved, whether they were agents of the government of Ontario or whether they were those who were going before the Donnelly commission or the Hoilett commission. The legal costs were substantial. I have answered a question in this House before in relation to them.

If one were to look at the costs incurred in the five-year period by civil servants and their participation, whether for Mr. Hoilett and the

Ombudsman's office, the people on the select committee or the legal counsel for the select committee, one could imagine that we probably have gone through several million dollars.

The Hoilett commission report was submitted to me in March. We are still doing an assessment and analysis of the more than 3,000 pages which took two years to complete. In a relatively short time, I hope I will have an opportunity to meet with the Ombudsman to review the situation and submit our report. At that point, I believe it is the Ombudsman's responsibility to report back to the select committee as to the final decision on how settlement might be arrived at.

Mr. Roy: I think it is the minister's responsibility, not the Ombudsman's, to the taxpayers of Ontario.

How many reports are we going to go through? I have here the report of the Ombudsman of 1976, the report of the Ministry of Housing of September 1976 and the report from the commission of inquiry by Mr. Justice Donnelly of March 1978. Finally, the minister has talked about a report from Mr. Hoilett which he received in March 1982. How many more reports are we going to go through?

Does the minister not get the feeling that the only people who were not properly represented and defended in this whole process were the taxpayers of Ontario?

Hon. Mr. Bennett: This House will recall that most of the confusion started right in this Legislature; that there was not a fair and equitable position being taken by the agents on behalf of the provincial government in the acquisition of land.

The acquisition of land was carried out in two stages. For roughly the first two-year period, it was by deed purchase. The second period was when the former minister indicated on February 4, 1974, that we were going to take the rest of the lands by expropriation, which we did.

Then, as a result of the Ombudsman's office, we established an opportunity for those who had already made settlements to have their situations reviewed once again. Legally, this province had made its final settlement with those individuals, save and except the Ombudsman asked that they be reviewed in the light of the escalating land values of that day.

That was the Donnelly commission. The individual land owners who were supposed to come before the Donnelly commission refused to do so. The Donnelly commission reported clearly to the Ombudsman and to this House

how it saw the situation and indicated there was no fault on the part of the agents of Ontario.

Second, they tried to resolve the further problems of others who wished to have a further settlement for their lands by the people of Ontario. Indeed, I hope the Ombudsman's office, the legal counsel and so on were representing both the land purchaser and the interests of the taxpayers of Ontario.

That hearing concluded in 1979. Mr. Hoilett has taken two years or more to write the report. The Ombudsman and I now are expected to consume 3,000 pages of evidence within a relatively short period of time and report to this House instantly. In the interest of the taxpayers of this province, and to make sure justice is served for all taxpayers, the ministry will review it and report back to the Ombudsman.

To correct the member for Ottawa East, the report is to the Ombudsman, not to the Minister of Municipal Affairs and Housing. The Ombudsman has the responsibility of eventually reporting back to this House.

3:20 p.m.

Mr. Sargent: Mr. Speaker, on a point of privilege: The Minister of Health (Mr. Grossman) made a statement that it was his type of legal training that put him and the Attorney General (Mr. McMurtry) on that side of the House. On behalf of many people in Ontario, may I ask the minister if the Susan Nelles case of \$200,000, the price of innocence—

Mr. Speaker: Order.

Mr. Sargent: I want to get this question on the record.

Mr. Speaker: No, you cannot. The time for oral questions has expired.

Mr. Sargent: It is not a question—

Mr. Speaker: Certainly it is.

Mr. Sargent: I am asking this on a point of privilege.

Mr. Speaker: It is not a point of privilege.

Mr. Sargent: On behalf of a lot of people, it is a point of privilege.

Mr. Speaker: Will the member resume his seat, please?

Mr. Sargent: Why can't we find out—

Mr. Speaker: Order.

REPORT

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Shymko from the standing committee on

social development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Community and Social Services be granted to Her Majesty for the fiscal year ending March 31, 1983:

Ministry administration program, \$26,610,100; adults and children's services programs, \$1,943,904,900.

INTRODUCTION OF BILL

PLAIN LANGUAGE ACT

Mr. Mancini moved, seconded by Mr. Bradley, first reading of Bill 129, An Act to require that Consumer Contracts be Readable and Understandable.

Motion agreed to.

Mr. Mancini: Mr. Speaker, the bill requires that consumer contracts be readable and understandable by the ordinary consumer. A consumer contract that contravenes the detailed requirements set out in subsection 2(1) may be rescinded by the consumer, who is also entitled to recover any damages suffered as a result of the contravention and may be entitled to punitive damages.

NOTICES OF DISSATISFACTION

Mr. Speaker: Before proceeding with orders of the day, I remind all honourable members that pursuant to standing order 28, the member for Essex North (Mr. Ruston) has given notice of his dissatisfaction with an answer to a question, the member for Welland-Thorold (Mr. Swart) has given notice of his dissatisfaction with an answer to a question and the member for Downsview (Mr. Di Santo) has given notice of his dissatisfaction with an answer to a question. These matters will be dealt with at 10:30 tonight.

ORDERS OF THE DAY

BUDGET MEASURES

Hon. Mr. Gregory: Mr. Speaker, it was determined at the House leaders' meeting that we would divide the time on this debate equally three ways, and I ask that the table keep track of the time.

Mr. Foulds moved, seconded by Mr. MacKenzie, motion 26 under standing order 63(a):

That the government of Ontario, as a result of its failure in the Treasurer's budget to take any substantive action to assist farmers, home own-

ers and unincorporated small business to cope with unprecedented high interest rates, and as a result of its failure to create adequate short-term jobs and its complete failure to create long-term jobs through a government investment or industrial strategy, and as a result of the government's policy of shifting the taxation burden to those least able to pay through increases in OHIP premiums and removing sales tax exemptions on a number of essential goods and services, and as a result of the budgetary policy of the government which attacks the poor instead of attacking poverty, this government no longer enjoys the confidence of this House.

Mr. Foulds: Mr. Speaker, perhaps I should explain why we in this party have taken steps of making a no-confidence motion specifically on budgetary matters at this time.

By the traditional rules of this House, we do not get to vote on the Treasurer's budget until the House adjourns in December. We feel in the present circumstances that this is simply too late, it is not adequate and by that time more than half the money the Treasurer (Mr. F. S. Miller) will have gained in taxes will have been spent.

This is a pitiful and pathetic budget. I do not usually engage in the practice of political predictions. However, when the defeat of the Conservative government comes to be written about in 1987, about two years after it is defeated in 1985, commentators and political scientists will point to this budget as the watershed, the peak that caused its defeat, as the seed of the erosion of the confidence of the people of Ontario in the Conservative government.

This budget spells the demise of the Conservative Party. It signals more clearly than any other previous document that the Conservatives and the government led by the member for Brampton (Mr. Davis) has lost the will to lead. It is a budget that lacks courage and imagination. It is a gutless and whining budget.

Yesterday, it was instructive that the Minister of Revenue (Mr. Ashe) said Ontario was "one little province." This is not a little province, but the Tories, with their mindset, have begun to think of it that way. They think of it as a have-not province. The Treasurer is beginning to think of it as a Third World country. That is why he thinks the workers at Spalding should take wage cuts.

We in this province believe this is still a great province with a lot of potential. We in the New Democratic Party have faith in the future of this province. The Conservatives and this govern-

ment have lost the faith they had in the future of the people and in the promise this province had. This is a budget that makes crystal clear, clear as a lake suffering from the damages and ravages of acid rain, the total bankruptcy of the Ontario Conservative economic and social policy.

Instead of attacking poverty, this budget attacks the poor. Anybody who is a member of the Liberal Party, with Allan J. MacEachen as its Minister of Finance, should not make any comments about this budget, because we have Allan J. Miller in Ontario and Frank S. MacEachen in Ottawa.

This budget reveals a government that weakly succumbs to events instead of trying to control or master them. It reveals a government starkly naked of ideas. Instead of dealing with the jurisdiction and authority he has, to improve the lot of the people of Ontario, the Treasurer merely attacks others, especially the federal government, for their failure.

Last fall, we had a Liberal budget that failed to deal with the needs of the people of Canada and of Ontario. We had a Liberal budget that stung the people of this province. This spring, after much delay, we had a Conservative budget that failed to deal with the needs of the people of Ontario.

This budget even expresses a pitiful and pathetic hope, as one of its cornerstones, on page 4, that US defence spending will stimulate the Ontario economy. That is how pathetic, how silly, how desperate the Treasurer is in clutching at economic straws for the hope of the growth of the economy of this province, that the United States will stimulate and increase its defence spending.

It would be unfair to suggest that the Treasurer might hope the United States gets involved directly in the Falklands crisis; it would be unfair to suggest that he does not care on whose side. But it does make one uneasy, when the Treasurer takes the time to say that defence spending in the United States is one of the main hopes of stimulating the Ontario economy. Surely there are better ways out of the current recession than spending on armaments.

3:30 p.m.

This has been termed a nickel-and-dime budget, but frankly I think that is giving it too much praise. This is a second-rate budget by a Treasurer who, as I said, believes this is now a have-not province.

I want to deal briefly with six items. Within the time allotted to me, I may only get to five. I

want to deal with interest rates, unemployment, the north, the burden of taxation, sales tax and the failure of this government to develop a long-term strategy for the economic development of this province.

Number one: Interest rates, which remain the bugbear of the Canadian economy. Home owners lose their homes, farmers lose their farms, unincorporated small businessmen lose their businesses, and workers lose their jobs. The Premier (Mr. Davis), the Treasurer (Mr. F.S. Miller) and the Conservative government stand idly by, just as Allan MacEachen and the Liberals stood idly by last fall.

The provincial government has taken no action on interest rates. It introduced no moratorium on mortgages, and it has no plans to use the Province of Ontario Savings Office as a fully fledged financial institution along with credit unions, to help farmers, home owners and small businessmen maintain their property. We on this side of the House endorse the idea of privately owned property so much that we believe everybody should have some, not just the banks and the trust companies.

Number two: Unemployment. The number one aim of any government must be the creation of jobs. Deindustrialization is a term that rolls easily off the tongues of politicians, political scientists and economists. But what does that mean for the average man and woman in this province? Deindustrialization means the loss of dignity, the loss of a job and, in many cases, it means the loss of a home and the breakup of a family. On the campaign trail, I used the example of my friend and neighbour, Ben Miharija. I have never used it in the House and I want to read it into the record. Mr. Miharija is a neighbour of mine in Thunder Bay. At Christmas time he received the following letter from Canada Steamship Lines, and I want to read part of it into the record:

"Dear Mr. Miharija: It is with regret that Canada Steamship Lines Inc. has come to the decision that it can no longer maintain its Package Freight operations.

"As a result of our decision, the Package Freight terminals will not be reopening in the spring of 1982, and I am enclosing herewith a cheque having the value of two weeks' pay plus a cheque for severance pay applicable under the Canada Labour Code.

"We thank you for your efforts in the past, and rest assured that we regret the need for the decision we have taken, but feel we have no other choice."

Mr. Miharija is a Portuguese immigrant. He worked for Canada Steamship Lines for over 25 years. There is no pension plan, and he is a man of 58. What does he do? What does this government do for him? If we had a government worthy of the name of the adjectives, humane and decent, he would have a job to go to, or at least he would have a pension, which he has not with this company. That is what deindustrialization means.

Just this morning we learned that over 4,000 Ontario workers lost their jobs in March. Twenty-two companies closed their doors, and the Minister of Labour (Mr. Ramsay) warns that there is worse news for April and May. What do we have from the provincial Treasurer in his budget? A feeble attempt to create 31,000 temporary jobs and some summer student employment. Surely that shows the government's lack of will, its lack of leadership, its failure to take on the responsibilities of government. It reveals the government's helplessness and its utter gutlessness when it comes to aiming for full employment so that the people of this province can live lives of dignity and joy.

Number three: I want to talk briefly about the north. For years the Conservatives have been neglecting the north. This time they actually introduced a budget that attacked the north. Consider just the following brief items: The cost of car licence plates go up; on those big autos in southern Ontario it goes down. Sales tax has always been heavier on northern residents because the base price of goods is higher; this gets extended to essential items from toilet paper to toothpaste.

No matter what the Minister of Northern Affairs (Mr. Bernier) says, in the north, he is powerless to do anything to reverse that trend and the attack that the government has made on northern Ontario. Energy costs continue to go up. Hydro costs go up, and Hydro makes a plan for a differential that in fact increases the cost unduly and discriminately against northern residents as opposed to those in the south.

Finally, for the first time since I can remember there was not one word in the budget about diversifying the economy of northern Ontario to create full-time, year-round manufacturing jobs. There is no longer a design for development strategy to ensure jobs in one-industry towns such as Elliot Lake, Wawa or even Sudbury when the time comes that the ore runs out in the mines.

Number four: The burden of taxation. This budget has clearly and irrevocably shifted the

tax burden onto the individual and onto the family. For example, the typical family in Ontario will have an increase, when you total them all up, of at least \$305. Taxes have shifted to the individual steadily since 1960. The individual and the family are now paying more and more and getting less and less. They are getting less from the province in educational services, less in health services and certainly less in consumer protection. With regard to job security this government offers nothing.

Just to give members some idea of the tax shift that has taken place, in 1960 for every dollar collected in personal taxes, \$1.79 was raised in corporate taxes; by 1982, with this budget, for every dollar raised by personal taxes, only 14 cents will be collected from corporate taxes.

Number five: The sales tax. The focus of discontent on this budget has been on the sales tax because the Treasurer has extended the sales tax in what can only be called a greedy, chintzy and inhuman way. In his desperate search for revenue, which gouges the individual and the family instead of taxing the corporate sector and other areas of taxation, the Treasurer raised Ontario health insurance plan premiums by 17 per cent.

But he fastened most on reducing the exemptions from sales tax. This is the area that has stuck in the craw of most people. They resent their provincial government taxing everything from toothpaste to toilet paper. The Treasurer has expanded taxation to what are now considered essential items, and to tax these items is just plain mean. To tax school supplies is niggardly, and to tax charitable organizations such as legions, ethnic groups and church groups, surely has forced volunteers to become tax collectors for a wasteful government that gives its parliamentary assistants, let alone its cabinet ministers, limousines to run around in and its Premier a jet plane.

The government claims that the only way to replace lost federal revenue is to increase sales tax. But the measures he introduced have had the same effect as if he had raised the sales tax from seven per cent to 7.7 per cent. In other words, he might as well have raised the sales tax by one percentage point. The reason we object so strongly to the broadening of the sales tax base is that this imposes unnecessary hardships on families. The tax on personal hygiene and cleaning supplies, the tax on prepared foods and the tax on energy conservation products are all unwise and unjustified.

Finally, I just want to read into the record

parts of a rather unusual letter that was sent to me by one of my constituents. It was sent to the Treasurer, and a copy was sent to me.

"To Treasurer Frank Miller:

"You have stooped to the lowest that any MLA can go. You should hide not just your face but your whole self because you stink so bad. Who ever told you this paper I am writing on is not essential, and the soap and shave cream and toothpaste I use is not essential? Where are your brains?

3:40 p.m.

"You better take off that tartan blazer. It is starting to show the dirt in your colour. You should be ashamed of yourself.

"I'm not, like you and your rich Conservative Party, able to afford an electric razor. Also, I take pride in keeping myself clean.

"You and your party are dirty and low. Don't you ever come to 'God's country,' clean north-western Ontario. This is the part of Ontario you people forget about. We up here pay for all your essentials.

"Another very concerned citizen, also a veteran of World War II, Mr. A. Craven.

"P.S. I know I am being blunt. I'll be a hell of a lot more so in future if my pension cheque gets much smaller through your stupidity and ignorance.

"Resign!"

There follows, on the copy: "Thank you, Jim. I am awfully sorry I had to resort to this but he just went too damn far this time. I just get one cheque and not three or whatever."

That person has been driven to a point of frustration to take the kind of dramatic action most normal citizens in this province would not take, and Mr. Craven is a normal citizen. I think it is that kind of anger that is going to spell the death-knell of the Tory government.

Finally, there is no vision for the economy in this budget. It is a weak fiscal document. It did nothing to create an industrial strategy to create the jobs that are being lost at Spalding, in the auto industry and in northern Ontario. This government failed to respond to these admittedly difficult economic times with any kind of skill and courage.

This government has been in power for 40 years. It is easy to govern when things are going well, as they were between 1943 and 1973, but it takes skill and courage to manage in bad times and this government lacks that courage and skill.

The Treasurer whined like a petulant school-boy about the limitation of the tools that he has.

In this century, Winston Churchill said, "Give us the tools, and we will finish the job." This Treasurer had the tools to do the job and he failed to use them. If I could paraphrase, he said: "We do not have the tools; we do not want the tools; we do not want the jobs. Let the feds do it. Let Ronald Reagan do it. Let somebody else do it. Let anybody do it, but not us."

If this government is not prepared to do the job, we in this party are. The leader of this party, Mr. Rae, and the Treasury critic, the member for Windsor-Riverside (Mr. Cooke) have outlined in detail how this party would get this province moving again. For that reason, we have moved this no-confidence motion now. We want this government defeated now. If it is not prepared to govern, we are. Move over for a party that is prepared to do the job.

Mr. Roy: Mr. Speaker, I am pleased to join with my colleague to the left in enthusiastically supporting this motion. I have often said privately to my friends to the left that too often we tend to think the enemy is at each side, on this side of the House. We look to the left or to the right and we do not realize often enough that the people who are our enemies are the people across the isle.

Using my vast experience in this place, I think back to the days of 1975 and 1977, when we should have got rid of those incompetents on that side. We should have united at that time and thrown them out when we had the opportunity. I suppose in some measure this government, which is perpetrating this injustice on the people of Ontario at this time, is a result of our own failing on this side in not having united earlier to kick those beggars out of office.

I noticed that, after the acting leader of the New Democratic Party spoke, no one on the government side rose with any degree of enthusiasm. No one made any effort at rise to attempt to defend this budget.

I see the Treasurer (Mr. F. S. Miller) is here this afternoon. Like many of the other members I find it encouraging that he is attending here. I appreciate that it is with a certain degree of boredom since he has spent the last few weeks in more exciting endeavours in other areas of the globe. But I say to the minister, I think there was something cynical about his presenting a budget and a few days later leaving the country and not being in a position—

Mr. Haggerty: I don't blame him for leaving.

Mr. Roy: I suppose some people would say that. But a responsible minister would have

remained here and defended his budget. It is not fair that he should leave it to the Minister of Revenue, poor old George Ashe, who is always confused, to determine what is and what is not government policy. This has happened more often than not. I have seen this before. When the Treasurer has difficult programs to defend he leaves the Minister of Revenue, very often, to pilot the bills through the Legislature and to defend the process.

I for one have no hesitation in supporting the motion brought forward by the New Democratic Party. The most significant part of the motion is the line wherein it is stated that this present government's policy in this budget seems to be to attack the poor rather than attacking poverty. I think it a pretty cynical document indeed.

In the brief time I have available I intend to review the hypocrisy and contradictions of this present administration and of this minister. It is ironic. The Treasurer at times has the image and reputation of being a candid, sort of nice and easy, upfront, there-it-is-all-on-his-sleeve person, of not being a cynical type of politician; he puts it all out there. Yet, he is perpetrating a terrible policy on the people of Ontario.

I intend to review some of these contradictions of promises made in earlier elections and in previous budgets, promises made by his leader, by himself and by some of his colleagues, which are flagrantly contradicted by some of the policies in this budget.

The member for Brantford (Mr. Gillies) who has just come from Brussels, I am told—is that right, was the last trip to Brussels?—

Mr. Brandt: At his own expense.

Mr. Gillies: At my own expense.

Mr. Roy:—where he visited the former Conservative candidate. I understand he saw Omer. Is he well, is the limousine tuned up? Is Omer enjoying his new job?

Mr. Gillies: I certainly did. He is a very fine man, much more likeable than you, Albert. He is doing an excellent job.

Mr. Roy: When he was running in Ottawa East he did not want to admit that he was looking for a good job, but he was rewarded. He made the sacrifice. The martyrdom in Ottawa East in 1981 has blossomed into one of the best jobs in this government.

Mr. Philp: Like a lot of provincial Liberal candidates.

The Acting Speaker (Mr. Cousins): Are you speaking to the motion on the floor?

Mr. Roy: It is right on. The beauty of this motion is that I can speak on anything about anybody at any time. There is tremendous freedom.

So I want to say to the member for Brantford and to his sidekick, the well-fed member for Sarnia (Mr. Brandt), go to Brussels and visit Omer. Just think. If they work hard enough and make enough sacrifices, they too will get a good job. Yes, they will be given a good job, possibly even in cabinet.

The response of this party to the budget has been consistent. We feel this budget has failed to recognize and identify the present crisis situation faced by home owners. In other words, the emphasis in this budget was on loans again.

I am glad to see the member for Burlington South (Mr. Kerr) is here because we were talking about him earlier.

Do you know what the present Minister of the Environment (Mr. Norton), said? "There is no way I am going to go swimming in Hamilton Bay. There is no way I am going to follow the member for Burlington South who wanted to swim in that bay." Was that in 1975? Here we are, seven years later, and he will not even stick his big toe in that bay.

3:50 p.m.

Mr. Haggerty: He can walk across it now.

Mr. Roy: My friend from Erie said he has a better chance to walk across it than swim across it now.

I will get back to the budget. The crisis faced by home owners is obviously something that this government has not recognized. It is putting forward a program of \$5,000 loans. Who will it benefit?

Mr. Boudria: The rich.

Mr. Roy: The rich, likely. It will reduce the inventory of the builders. It will help those who are making \$35,000 and \$40,000 a year. But I say to the member for Sarnia, maybe he does not have that many constituents who make less than \$35,000 or \$40,000 a year, but if he does, how is this \$5,000 going to help them? Please answer that question.

How is this budget going to help the small businesses? The government says they are not going to pay any corporate tax, but to pay corporate tax one has to be making a profit. How is this going to help those small corporations that are not making a profit? They are not making a profit because of the high interest rates. Where is the program for them?

Mr. Gillies: Did you say interest rates? The member should tell that to his friends in Ottawa.

Mr. Roy: The member for Brantford talks about Ottawa.

Mr. Gillies: You mentioned interest rates.

Mr. Roy: I am glad he mentioned that.

Mr. T. P. Reid: He got out of his foreign car to come here.

Mr. Roy: That's right.

Mr. T. P. Reid: How is the member's Mazda?

The Acting Speaker (Mr. Cousens): Order.

Mr. Roy: I will say that when the member for Brantford was in Brussels he was not going around in any Mazda. What kind of limousine was it that Omer was chauffeured around in, in Brussels? It was no Mazda.

Mr. Gillies: It was a taxi.

Mr. Roy: It was a taxi? Yes, I will bet it was.

What is there in the budget to help the farming community which faces tremendous pressures because of high interest rates? I say to the Treasurer, where is that help? This party had proposed some solutions and yet the Treasurer saw fit not to deal with that problem.

We feel the budget is based on contradictory industrial and economic social policy and on misguided priorities. We feel the expanded retail sales tax base and the increased OHIP premiums are hitting hardest those people who can least afford it. In turn, this government has blamed the federal government for financially backing the provincial government into a corner. That is the cynical part. I intend to deal with that aspect of the budget.

In this party, our philosophy is to help those who through no fault of their own may find themselves in positions of losing their homes, their small businesses and their farms. We did have a program. We put forward an interest program.

I listened to the member for Brantford saying: "The interest rate is the fault of the federal government." The members will recall in 1977, the Premier (Mr. Davis) said, "If the feds or somebody does not do anything about the interest rates, I will." Was that the promise given in the 1975 or 1977 election? Maybe the Treasurer can answer that. I should not ask that of the Treasurer because it is unfair. To ask the members on that side of the House which promises they kept is unfair. That is not a fair question. I apologize if I asked that question.

We felt there should have been an introduction of what we called an interest subsidy

program. Let me deal briefly with some of the contradictions in this budget.

The government has spent some \$6 million to promote energy conservation. God knows we got enough of that during the last election from the ad "Conserve it, preserve it." We still get it. I sometimes watch "60 Minutes" on Global and we still get "Conserve it, preserve it."

Hon. F. S. Miller: It's "Preserve it, conserve it." We haven't said it enough. You have it backwards like everything else.

Mr. Roy: Yes. There you are, Frank, if you had any—

The Acting Speaker (Mr. Cousens): We do not call people by their first names in the House.

Mr. Roy: Did I say that? It is an endearing verbiage I am using with the Treasurer. Occasionally, he has that cute smile. It cannot be seen as well when he does not have his plaid jacket on, but when he gets that smile and that twinkle in his eye, one has a tendency to call him Frank, like in his days of the used car business.

The Treasurer should be ashamed. As protector of the public purse, how could he allow the Minister of Energy (Mr. Welch) to waste all that money on advertisements, which in some ways were self-promotion. I have yet to see a TV ad where the minister's name did not come on constantly at the end of the ad, and the Minister of Energy still has his name on it. How could the Treasurer allow him to get away with that when he says he is protecting the public purse? That is something I do not understand.

We have a government that has spent \$6 million to promote energy conservation, then this budget removes the incentive to purchase conservation items, such as storm doors. There are taxes on those now, and there are taxes on storm windows. Thermal insulation and wind deflectors for trucks are taxed. All these items are now taxed. What is the Treasurer trying to do? How can he tolerate such contradictions in a program? He promotes energy conservation on the one hand and, when people go forward to buy the tools necessary, he moves in and taxes these items.

The government has criticized the federal government for cutting back expenditures on health and post-secondary education, yet the Treasurer, on page 17 in the budget, serves notice that all recipients of provincial funds should not count on funding for anything above the inflation rate.

The Premier partly built his reputation, and how well we remember that, on being a trans-

portation man. Remember the 1971 election? He cut off the Spadina expressway. Remember that dramatic gesture? He even went down to Florida and got himself some medals as Mr. Transportation Man. The same government that was tacitly supporting public transit now adds a sales tax on buses and on the labour on servicing most of the public transport across Ontario. How is that for a contradiction? When the Treasurer was presenting this policy, was the Premier tugging on his coat? Was he kicking him under his chair? Was he pinching him? How did he get this past Mr. Transportation Man of the Year?

The budget announced a \$133 million capital works acceleration program as a job creation program. At the same time, it will apply retail sales tax on building materials and certain other items purchased by publicly funded bodies such as municipalities. On the one hand, the government accelerates construction, and on the other hand, it applies sales tax on these materials.

Another contradiction in this government's assistance to the hospitality industry is that it has placed a 10 per cent tax on liquor, five per cent on rooms and seven per cent on other things. There are three levels of taxation in this industry. An interesting side to this is that the retail sales tax is supposed to be paid by the final consumer, but the tax on the purchase of disposable items, such as soap, toilet paper, etc., is now borne by the motel operator, who is not the final consumer. Those items are taxed again when the consumer pays tax on the room. In effect, in this budget we have double taxation.

Does the Treasurer realize that? He is not aware of it. I know he has been spending some time in Japan thinking about other things, but this is what is happening in his budget.

The government talks about a job creation program, saying there must be meaningful jobs. Yet the budget dwells on and emphasizes temporary replacement programs, which do nothing to address the structural unemployment problems in the province, and 55,000 jobs lost in manufacturing are not going to reappear when the business cycle starts. These jobs, I am sorry to say, are gone forever. The people over there are dealing with this superficially.

4 p.m.

Interjection.

Mr. Roy: Time after time the colleagues of the member for High Park-Swansea (Mr. Shymko), the Treasurer and the Premier, have stood in this House and taken great credit for job

creation when things were going well. Well, they are not standing in the House and bragging about the jobs lost, are they? They are not facing the people of Ontario. They are not bringing forward solutions to the real problems. They are offering only superficial, Band-Aid treatment for a very serious problem.

Mr. Shymko: What would you do, Albert?

Mr. Roy: What would we do? The member was not here when I talked about our program. I cannot be repetitious; I do not have sufficient time.

Probably the greatest hypocrisy of all is when this government talks about financial restraint. The budget announces that we are going to increase members' salaries by only six per cent. However, out of the 70 beggars over there, the 70 Tories, 62 are getting increases. They are all there at the public trough getting extra money for something: 62 out of 70.

Hon. Mr. Bernier: Why don't you perform your duties here properly? You have got your nerve to stand there.

Mr. Roy: A bunch of hypocrites. The Minister of Northern Affairs talks about performing.

The Acting Speaker (Mr. Cousens): Order.

Mr. Roy: That member has not performed yet. He has not earned his salary yet. My God, he is overpaid.

The Acting Speaker: Order. Order.

Hon. Mr. Bernier: You're short-changing the public. What a hypocrite. Of all people to talk.

Mr. Roy: The minister should be ashamed. His hand should shake. What a bunch of hypocrites.

The Acting Speaker: Order.

Hon. Mr. Bernier: You should resign; here two days a week.

Mr. Roy: When the Premier freezes salaries he is freezing the opposition, not the people on the public dole.

Interjections.

Mr. Roy: My God, these incompetents. They have not deserved—

The Acting Speaker: Order.

Mr. Roy: The hand of the Minister of Northern Affairs should shake every time he picks up his pay cheque.

The Acting Speaker: Order. I ask the member for Ottawa East to hold his thoughts to the presentation. He is getting a little bit personal.

Interjections.

The Acting Speaker: Order.

Mr. Roy: Thank you, Mr. Speaker. I hit a raw nerve there.

Interjections.

Mr. Roy: Yes, the hypocrisy. The Premier on the one hand says, "We are going to limit members," but he does nothing about all those limousines running across the province. No.

And what about the acting House leader? Where is the House leader? I wanted to talk about him briefly. First of all, he is chief government whip. He is getting one salary for being an MPP; he is getting another \$8,800 in salary for being government whip and \$11,000 for being Minister without Portfolio. And these people dare to say they want a limit of six per cent.

Mr. Shymko: The member has got two salaries.

Mr. Roy: Yes, I have two, but part of it is not on the public dole. Does the member not understand that? All the government members are at the public trough. A bunch of incompetents.

Interjections.

The Acting Speaker: Order. Order.

Mr. Roy: They have their nerve. My colleague from Prescott-Russell (Mr. Boudria) says I should switch to French. I do not think I have adequate words in French to describe the hypocrisy on that side.

Interjections.

Mr. Roy: Mr. Speaker, this government dares to preach restraint when we saw the acquisition of Suncor and we saw the acquisition of a \$10.6 million jet for the Premier. How can they justify that purchase when the Treasurer talks of restraint? How can he possibly smile? How can he possibly go around Ontario and talk about responsibility when he is blowing over \$10 million on frills like a jet that are not needed in Ontario at this time?

The members opposite have their nerve, they really do. I look at the Treasurer and, my good God, even that cute and candid smile of his will not get around the hypocrisy of that policy.

Hon. F. S. Miller: Count the four-engined Liberal jets.

Mr. Roy: There are no jets in the Liberal caucus. I am not here to defend federal policy. I am here to criticize Conservative policy at this level.

I have so much more to say and I could go on. This afternoon, my colleagues and I witnessed with some interest the start of a retreat.

Did members notice that during the question period? He said at one point about church meals, "We have a regulation there. We will show some flexibility." He knows the Premier got to him and said, "Look, Frank, I am in favour of the Lord's Prayer and God, you are taxing church meals. This has been a bad week for me. I had my picture taken with a Playboy bunny and then you are taxing church meals. All in one week—this is terrible. We cannot get away with that, Frank." So the Treasurer backed off on church meals.

In my relatively short experience in this place I have seen different Treasurers and different budgets, but I can only think of one other Treasurer and budget that reminds me of this one. That was the famous John White budget. Do members recall John White's budget? Do members remember when John White put a tax on energy and when people complained, the Treasurer said at that time, "Turn down the thermostat boys, and put on the sweaters." Do members remember that cynical comment?

That was as cynical as this Treasurer's comment about the criticism of his budget, such as "Let them eat peanut butter"—which he says he did not say—or his cynical comments about toilet paper and sanitary napkins. I could read letters from my constituents like those all members have obtained on this.

If only we had the numbers, we would be so pleased to turf the government out. The Bramalea charter said that in 1982 there would be a balanced budget. When I asked the Treasurer the other day if he recalled that he said, "If there had been a Conservative administration in Ottawa . . ." Yet he was the one who was instrumental in the defeat of Joe Clark. Does the Treasurer remember that? He was instrumental in that. If the Treasurer had any guts and any honour, if he were not so full of hypocrisy, he would take this budget to the people of Ontario and then we would see what the people really think about this.

Hon. F. S. Miller: Mr. Speaker, I am quite pleased to take part in what is a traditional and proper way to—

Mr. Laughren: Where is the applause for the Treasurer?

[Applause]

Hon. F. S. Miller: One gets praise from unexpected places from time to time.

Mr. Foulds: Do you support the motion?

Mr. Cooke: What did you get for us in Japan?

Hon. F. S. Miller: I have a nice prepared little speech here, but the member for Ottawa East at times does test a person's patience. I do not know how he can talk about all the things he does in a Tuesday-to-Thursday week.

Mr. Roy: Where were you last night? I was right here.

Hon. F. S. Miller: I was in Toronto working last night and unfortunately the bells do not work in my office or I would have been here.

Even the former leader of the Liberal Party, the one who just vacated the position, had to say, "I wish the member for Ottawa East would turn up on more days of the week. It is a bit embarrassing when he is in court there, working away like he does."

Mr. Roy: It is not at the public trough.

Hon. F. S. Miller: The member is collecting his cheque as if he were here for a full week, flying on government paid-for aircraft back and forth to his riding so that he can carry out his duties in court. I am also—

Hon. Mr. Bernier: Return half your salary. You are only here half the time.

Interjections.

The Acting Speaker: I am having trouble hearing the Treasurer.

4:10 p.m.

Hon. F. S. Miller: Before I start my own prepared comments I am tempted to point out that the member talks about the jobs we are creating as if they did not matter. He pretends the 32,000 man-years of jobs we will create in the building of new homes this year will have no permanent impact.

We already have had more than 690 applications in our program to help people buy homes, some 400 of them from people who are renting. Some have already bought houses. We have had 8,700 calls and sent out more than 22,000 applications.

The member says those things are not important. He says capital works like roads in the province and repairs to universities do not matter. He says student work in the summer time is not critical. I wonder, then, what is.

This country stands at a critical point in its economic development. I pointed out several weeks ago in my budget that the nations of the industrial world have been coping with problems of very slow economic growth and inflation ever since 1973. In that year we had the first of a series of oil-pricing shocks from the Organization of Petroleum Exporting Countries. No

country in the world has met that challenge fully.

We in the west have experienced relatively short bursts of economic activity since then. Each time the economy seems to be moving ahead at a reasonable pace, the rate of inflation increases, and that, in turn, leads to higher interest rates which dampen the economy.

As we know, last year the American administration began a major attack on inflation. Apparently they were so determined to follow that policy in the States that they were prepared to see interest rates go to almost any level. They were prepared to see unemployment rise to a point they have not seen since before the last war. This policy has had a very real impact on all the major trading partners of the United States and particularly on us. We are their largest trading partner, of all the nations in the world.

This very week the leaders of the seven major western industrial nations will be meeting at Versailles. We have urged, and we know the government of Canada will urge, that the United States ease up on the fiscal squeeze to which it has been subjecting its economic partners. I think we can have some confidence that this may happen this year. The rate of inflation in the States has been dropping noticeably and I believe this should provide some room for the authorities in that country to ease up.

If that happens, there is every reason to believe that with the amount of pent-up demand there is in the American economy, we will see strong economic performance in the second half of 1982. That would have a positive effect on Ontario and Canada, as we have predicted.

Mr. Samis: You are really looking for outs, aren't you, Frank?

Hon. F. S. Miller: Do not be so sure we are not right. We have been right before. The opposition likes to laugh each time we make a prediction.

Mr. Foulds: Name one year.

Hon. F. S. Miller: We were right last year. We produced more jobs last year than we predicted. We produced more than 120,000 new jobs last year at a rate that no other province in this country can match.

Mr. Foulds: You created unemployment, too. The only thing you really catch up on is doctors' salaries. You never catch up on job creation.

Interjections.

Hon. F. S. Miller: Mr. Speaker, I continue to be amazed. We sit relatively quietly on this side and try very hard to listen. I am trying to make

points because I think the member made a good speech. I am trying to make one in return.

I make these observations about the international economic environment to emphasize to the members that Ontario is not an island within Canada, nor Canada an island within North America or the world. We cannot, independently, implement economic programs that will push or pull our economy in a direction fundamentally counter to other international trends. That is equally true of Canada in the international environment.

Over the past several years, one would have thought an appropriate economic policy for Canada would have been one that emphasized a climate of investment confidence and job creation. One would have thought an effective national economic program would focus on creating incentives for capital investment, both to develop our natural resources in all parts of the country and to strengthen manufacturing industries so they could become more competitive.

Last fall, when the federal government announced its intention to introduce a budget in November, many thought this would present that government with an opportunity to address the major issues. But on the night of November 12 most of us were disappointed when we saw what actually happened in the federal budget.

I have had lots of chance to talk about that in between and I do not intend to say any more about it today. It is still my hope that, because of the concerns I have expressed and which others have expressed as well, there still exists the possibility that the thinking in Ottawa will change and that some of the less desirable components of that budget will never become law. In fact in the last day or so the comments of Mr. MacEachen have encouraged me to believe that will happen.

In the meantime, it still casts a shadow of uncertainty across our economy. As I planned my budget I knew it was doubly important for Ontario to take steps to improve confidence, to create jobs, to get our economy moving again, even with the limited resources at our disposal. This task was certainly not made any easier by the fact that the federal budget cut into the very heart of the major federal-provincial, cost-sharing programs by taking \$290 million out of my revenues this year. I refer, of course, to the abrupt cancellation of the revenue guarantee in the established programs financing agreement.

Mr. T. P. Reid: It wasn't abrupt. You know it wasn't.

Hon. F. S. Miller: It was abrupt and all 10 provinces agree it was abrupt. If the member does not believe it was abrupt I suggest he go out and talk to the other provinces and discuss it with them because it happened before a single, solitary talk was held—

Mr. T. P. Reid: They did to you what you did to the municipalities.

Hon. F. S. Miller: No. This action meant that we not only had to shoulder a responsibility for stimulating our economy but we also had to face a direct threat to our ability to finance health and post-secondary education programs. That was the environment in which my budget was framed. Despite the difficulties imposed by that environment, I believe our budget has proposals in it which will have a highly positive impact on growth in our economy. It is going to improve investor confidence. It will create new jobs and will maintain an affordable standard of public service here in Ontario.

This is already becoming evident. The members are familiar with the main aspects of my budget so I do not need to repeat them now. Nevertheless some members need to be reminded because they have concentrated their criticism on only one or two aspects of the budget and have ignored all the others. To hear them tell it, the budget contains a few tax increases and nothing else.

Of course they do this deliberately because they know that taken as a whole this budget will be extremely helpful to the province. It is only natural they do not want to draw attention to that fact. Some fail, for example, to mention that the budget will create directly 31,000 jobs through the acceleration of capital projects and that funding for youth employment has been increased to \$91 million.

They forget to say that the budget includes a \$75 million stimulus for the housing industry, incentives for manufacturers and the complete elimination of the small business corporate tax for two years. Nor do they mention that, in advance of the budget, we had already taken a major step towards helping farmers with their financing problems.

These are the kinds of programs we need to create jobs and restore confidence. They have been accepted and they have been welcomed around the province. Let us hear what one respected analyst had to say about this. On May 18 in the *Globe and Mail* in its Report on Business, Ronald Anderson, under the headline, *Pro-Business Budget Refreshingly Different*, wrote the following:

"What the critics choose to ignore is that Mr. Miller had limited resources for few initiatives, and he has attempted to direct the available funds to the particular points where he thinks they will do the most good. He has not designed a tax supported bail-out program for failed small businesses or distressed home buyers—other programs exist for such purposes. And he has not put forward another scheme for redistributing income from the more well-to-do to the poor. Again, a plethora of such schemes are in effect, which helps to explain why the private sector feels burdened by excessive taxes. What Mr. Miller has tried to do is put together a program that will help get the provincial economy moving again."

4:20 p.m.

Let me now turn to what the Canadian Manufacturers Association, which speaks for businesses employing hundreds of thousands of workers in this province, had to say in its press release last Friday. It quotes a letter sent to me concerning the budget. That release says, "Ontario division executive committee have sent a letter to the Ontario Treasurer commending him on a budget that responds to challenges and opportunities confronting Ontario in 1982 and beyond."

Looking specifically at the two-year elimination of corporate income tax for small business, I am sure most of the honourable members are aware of the very favourable letters from a number of accounting firms written to their clients about that measure. That in itself is going to stimulate confidence within the small business community, the sector of our economy that creates more than half the new jobs in the province. The members, I am sure, have received copies of a letter from John Bulloch, who heads the Canadian Federation of Independent Businesses.

Mr. T. P. Reid: An objective observer on the scene.

Hon. F. S. Miller: He calls it the way he sees it. The way he sees it was that we help small business in a way that no government has helped small business for years. He gives the budget unqualified support. His support and his enthusiasm will be infectious for some members of his organization.

I also will quote from a letter I received right after the budget from a small businessman in southwestern Ontario—right down in Liberal country. He began by saying, "I am sure you have been deluged with messages of support for your new budget, but I still wanted to write." I

stop at that point because he obviously does not know politicians never get deluged with letters of support, no matter what.

Interjections.

The Acting Speaker: Order.

Hon. F. S. Miller: In spite of that assumption—
Interjections.

Hon. F. S. Miller: I would like members to listen to what he has to say.

"Your new tax measures come as welcome relief. For some time, many of us have been"—

Mr. McClellan: Who was this?

Hon. F. S. Miller: One of my sons, who do you think?

It is from southwestern Ontario and it is from a patternmaking company and I have the name.

"For some time, many of us have been operating on a very marginal basis with real after-tax returns falling well below reasonable levels. I have seen many people simply give up under these conditions. Some have rejoined the labour force compounding the unemployment problem. Your new tax reduction has persuaded us to hang on. On behalf of my employees I thank you for this responsible action in these troubled times. We all understand that your government seems to be the only one to understand our problems and offer help."

We have been getting quite a few letters of that kind.

Mr. T.P. Reid: Signed, the Deputy Treasurer of Ontario.

Interjections.

Hon. F. S. Miller: He is probably in the riding of the member for London North (Mr. Van Horne) as a matter of fact. I think I will just send him that quote from the member—that he is short a couple of, what was it? —a couple of pecks short of bushel?

Mr. Van Horne: A couple of apples short of a bushel.

Hon. F. S. Miller: A couple of apples short of a bushel, is what the member for London North said about his constituent. I will gladly send that to him.

Let us turn for a moment to our housing program because that is an element of the budget that the opposition has asked me to withdraw. I would like to quote from the Toronto Sun of May 26. The business editor, Garth Turner, certainly did not write a very flattering article about me the day afterwards, so I only suggest that the members opposite

listen to what he wrote after he had a chance to see how the budget works.

Mr. Sweeney: How about David Oved's column?

Hon. F. S. Miller: David Oved wrote a very nasty column too—fine. Many people do after a budget. All I say is that after a week or so of observation they began to realize perhaps their off-the-cuff suggestions were not quite on the mark.

Interjections.

The Acting Speaker: Discontinue the dialogue back and forth. Each has an opportunity to speak and the Treasurer has the floor.

Hon. F. S. Miller: The headline was, "Week-end of Hope—At Last?" He said:

"I believe in symbols. Last weekend—in the new worlds being built on the leading edges of the city—there were thousands of them. Young, eager, confident couples deserted their apartments, travelled to those edges and did some incredible things. They smiled. They laughed. They talked about things in the long term. They thought about the future and were happy. They bought houses. After almost a year of darkness, in the drizzle and the fog of a crummy long weekend, there was sunshine. There was activity, and there was hope. It took no longer than a few days for the word to spread that Ontario was going to give people up to \$5,000 for 10 years to help them buy a house . . . A lot of people in the real estate business called it a Band-Aid. But it wasn't. It was a transfusion."

As of this morning, we have had 8,705 calls. We have sent out 22,325 applications. We have had 690 back already. We have approved 104, and we have already mailed cheques for 19. In Metro there were 450; in the rest of Ontario, 240. There are 421 renters who have already bought, and 269 first-time home owners. That is a remarkable reaction in two weeks, and it is going to go on and to create jobs far beyond our expectations.

Our home buyer program is working well. It is going to create jobs. I point all of this out to the members of the official opposition as evidence that the budget is already having a positive impact on confidence and job creation in this province. Of course, it is a little difficult to have a constructive debate with my friends in the official opposition because they simply do not tell us where they stand.

When their colleagues in Ottawa took the \$300 million a year for social programs from this province they were silent. When their colleagues

produced a damaging budget they were silent. When it comes to finding constructive programs for creating jobs for our people they are still silent. Like poor Johnny One Note, they only had one thing to say—that they are opposed to Suncor, period. That is the sum and total of their economic policies.

Mr. Speaker, let me turn your attention to some of the views expressed by the third party, because at least it has put views forward in a constructive way. I give that to its members. I do not agree with many of their proposals, but at least we know where they stand. In its pre-budget statement, the third party said, it “did not expect miracles from the Treasurer.” No, its modest program would involve the full protection of every family in the province from high interest rates, the elimination of poverty, the creation of long- and short-term jobs and the total reform of the tax system. They are all admirable goals. I can find many points I agree with in these objectives.

Indeed, we have taken steps to protect farmers, and, as I have pointed out, our housing and our small business programs will help others contend with high interest rates and will help create longer-term jobs. Our capital works acceleration program will create jobs in the short term. I have also tabled a discussion paper, which does discuss certain elements of our taxation system that could be changed. But if any government of this province were to go all the way with the third party's program, it would perhaps not require a miracle, but it surely would require a lot of money. By its own figures, its programs would cost well over \$1 billion this year.

The third party has pointed out in general terms how it would try to find the money, essentially by taxing investment. While its tax policy is not specific its papers refer to actions such as taxing capital gains and dividends at higher rates, reducing the capital cost allowance and extending the sales tax on production machinery and equipment.

There are a number of interesting elements to this position on tax policy. First, at a time when we need to do everything we can to bolster investment confidence, the third party proposes to erode it. I cannot understand how anyone can advocate the destruction of investor confidence and say it is consistent with a strategy of job creation. Or is there a piece missing in the strategy? Is there something we are not hearing

about? Perhaps the third party has totally written off the private sector of the province.

4:30 p.m.

There is a second element to their tax proposals that I would like to comment on. They suggest that 100 per cent of personal capital gains should be brought to tax and that the dividend tax credit should be reduced. As members know, such actions would require changes to the personal income tax, which is exclusively under federal control. I wonder whether the third party is advocating that Ontario adopt its own income tax system. As members know, I have asked the Ontario Economic Council to explore that issue during the rest of the year in one of our white papers, and I look forward to seeing the proposals to the council of the members opposite.

My budget represents a determined effort to create jobs and get our economy moving, and the business community is responding positively. But we are not going to do this at the risk of compromising responsible fiscal policies, which the government has traditionally maintained. We are not going to pay for job creation programs by reducing investment incentives that create jobs in the first place, and we are not going to do it by borrowing from future generations.

I think the Leader of the Opposition agrees with this approach, because he said: “I would say that it is each generation's responsibility to carry itself, and our responsibility is to invest for our children, not to rob from them. One has to constantly look at the temporary circumstances and balance off between tax increases and deficits. I do not believe for a minute that we can balance the budget tomorrow.”

This is what we have done in this budget: we have increased the deficit by an amount that is well within our ability to finance. Our capital investments this year will be \$2.2 billion, and our total outside borrowing will be about \$1.9 billion. If we had not increased certain taxes in our budget, then our deficit and our borrowing would have had to be higher or we would not have been able to undertake the economic stimulation programs in the budget. Moreover, we could not have made up the \$290 million that the federal government took from our revenues this year. This would have meant staring at the possibility of deep cuts in the health care or post-secondary education programs, and those are not acceptable to us.

We have been able to provide a significant degree of stimulation to the economy while still

holding the deficit in check. Members might be interested to know that, in relative terms, other provincial governments have been forced to chalk up very high deficits this year and that in per capita terms, Ontario now has the second-lowest provincial deficit in Canada. If British Columbia's is put on a comparable basis, we have the lowest.

Mr. Mackenzie: Mr. Speaker, I was intrigued to note when the Treasurer was listing his endorsements that they certainly included the chamber of commerce and the business community, but I did not hear one from a social group, a church group or a labour union in Ontario.

On March 19, 1981, the Conservatives won a majority in the Ontario provincial election, and for the people of Ontario that has turned out to be a sad day indeed. Up until the 1975 election of a minority government in this province, a rather exciting period when there was some accountability on the part of the members, the one outstanding characteristic of the Conservative government was that they ran the show. Oldtimers tell us many tales of the way the Tories ran business through the House to suit themselves. Today it would clearly be called arrogance.

The 1981 election with its majority result has seen a return to the arrogance of most of the preceding 38 or 39 years. They may have started slowly, but within a year they were back to their old tricks, and the May 13 budget was about as arrogant and insensitive as we have seen in a long time in Ontario.

First, we had the softening-up process before the last election, the hundreds of thousands of dollars spent on advertising. This was the people's money, taxpayers' money, taxpayers' hard-earned dollars, not Conservative Party funds, and they were used to spew out the fancy jingles and media promotions. How many will ever forget the "Preserve it, conserve it" jingle and so on in Ontario?

We have some great moralists in the Conservative Party, and I wonder how they separate principle and integrity from outright greed and opportunism when they divert tax dollars to partisan political gain. There are many who would not hesitate to call it the lowest form of political hypocrisy.

Having used public funds for the softening-up exercise, the Tories did spend their millions in campaign funds in an effective but cynical way. The people will well remember the jingles we were bombarded with during the election cam-

paign, which called on all of Ontario to "help keep the promise." It was blatant and deceptive, because the promises were seldom spelled out. It was just a global call to the people's loyalty and patriotism, to every citizen in Ontario, to their own and their children's future.

Unfortunately, it worked. Had there been an understanding of the responsibility that type of campaign brought with it, the Conservatives might have been forgiven. There has not been such an understanding. It seems the opposite is true. Not only is the arrogance back but also we are seeing what only can be called a clear loss of contact with the people of the province.

I have been knocking on a lot of doors in the last short period of time, both in my own riding and in the by-election in Hamilton West. The Premier (Mr. Davis) and the Tories might be amazed at the number of Conservatives—I know I had four families last night alone—who are saying the Premier and his party seem somehow or other to have lost touch with the people of Ontario. Nowhere is this more obvious than in the budget with which we have just been torpedoed.

When the Conservatives asked the people to "help keep the promise," why did they not tell the people that the promises included no action to reduce interest rates, even though that is one of the major factors crippling our economy and bankrupting individuals? Why did they not tell the people that to "help keep the promise" there would be no action to prevent foreclosures on homes and farms, even though these actions are on the increase and can destroy the hopes and aspirations of hard-working citizens of Ontario?

No real action was taken to provide adequate-paying jobs, to control our economy and to reverse the branch plant economy which in this province, next to the interest rates, is the major impediment to any real sorting out of our industrial problems and to re-establishing the industrial base. There was very limited help for small business. Why, for example, was help offered only to the 60,000 incorporated small businesses and nothing to the 200,000 that are not incorporated, many of which are small family concerns?

Did the call to "help keep the promise" include a \$96 increase in Ontario health insurance plan premiums for the people of the province? Did it include the drastic expansion of items covered by the seven per cent sales tax?

Does this government think the people would have accepted a tax on essentials, on women's and men's toilet supplies, on toilet paper, on a

kid's ice cream cone, on a can of pop, on that special treat of a chocolate bar once in a while, on a hot dog or a hamburger? Did the promise include tax on a pizza the gang orders in when watching a hockey game or a ball game? To add insult to injury was the ludicrous spectacle of a tax on the delivery of that pizza.

Has anyone in this House seen a performance as childish as that of the Minister of Revenue (Mr. Ashe) yesterday when he tried to defend the seven per cent sales tax—aggressively, I might say—on fund-raising dinners, usually by churches, service clubs and charitable and nonprofit organizations. In his defence, he tried to say they might be unfair competition to the local restaurant or hot dog stand. Fortunately, we seem to have had some backing off and it will be interesting to see just how far the minister goes.

Did the promise include cutting the tax on expensive, fat-cat dinners such as some Tories enjoy at Winston's and La Scala from 10 per cent to seven per cent, while taxing a visit to McDonald's at seven per cent? Did the people know their government would cut the taxes for those who could afford to spend \$20 to \$50 a meal and put them on for those who could only afford \$5 or \$6 a meal?

Did the promise include taxing shoe repairs, home repairs, car repairs—all essential to the average income earner but of no real consequence to the well-to-do? They are even taxing piano tuners. How many small jobs and small businesses may suffer as a result of this? Where is the "Preserve it, conserve it" theme when we tax efforts to achieve conservation? What hypocrisy!

Does this government not understand the double taxation we are imposing on municipal residents as a result of the increased costs we must now pass through to the property taxpayers because the sales tax will add substantially to the municipal and education costs? In Hamilton alone it is up to \$1.5 million more on the convention and trade centre. It is \$164,000 for OHIP increases for the civic employees alone who are covered under contract. We have been able to identify \$768,000 in other civic projects, and we are not into the education field as yet.

4:40 p.m.

Has this government no concern and is it not talking to the people on the doorsteps, the people in small houses who are paying taxes of \$800, \$900, \$1,000, \$1,200 and \$1,500, which is more common, on very modest homes? I am talking to them and let me tell the minister, they

are upset about it. It is a real concern to people. We see a substantial increase coming through here.

How many people are we turning into tax collectors in the province? One small variety store near my riding headquarters told me that from \$6 to \$7 tax revenue per day, he was already up to \$15 or \$16 and he had not yet seen the effect of it on his small snack shop. What a public ripoff!

If we add to this contemptible budget, which once again helps the wealthy and shafts the poor, the rather unbelievable expenditures which were also never exposed to the electorate, such as the Premier's \$10.5-million jet; the \$650 million for Suncor, the initial \$325 million and the interest we are going to pay on that money; the very rich settlement to the doctors which gives them \$42,000 a year more, over the next three years; while all the injured workers on disabled pensions, as we found out yesterday, are down 23 per cent of disposable income since 1976, then clearly, as far as I am concerned, this government has lost the confidence of our party and I hope of the House.

Certainly, and I say this with all the feeling I can muster, if honesty and integrity ruled in Ontario, the Premier and the Treasurer either would withdraw this budget and start to show a little concern for people once again or would have the guts to dissolve the House and go to the people now. That is a challenge I throw to them.

This government should be defeated in the interests of good government, in the interests of integrity in government and as an answer to the growing public cynicism about politics. The public heard the "Help keep the promise" slogan during the last election and then they saw what happened. Not one of those promises that people would have accepted were ever set before the people of the province. This government should be defeated.

Mr. Riddell: Mr. Speaker, time does not permit me to talk as long about this motion as I would like to do, because there are just so many terrible things in the budget that one could talk for hours and still not get the message across; so I am going to confine myself to one particular aspect, and that is agriculture. Before I do so, I would like to read a letter that was sent to me by a senior citizen in London. Like the letter which the member for Port Arthur (Mr. Foulds) read, it was written on toilet tissue. It says:

"Dear Mr. Riddell:

"As much as I dislike using this taxable tissue, I feel compelled to write to you about another

matter. I bought my plants for my balcony boxes May 17 and was taxed \$1.20 on a bill of \$17.14. Is this legal when the budget has not been passed? We understand this tax should not take effect until June 14. Anxiously awaiting your immediate reply, or is it worth the government stamp and is the letter worth a 30-cent stamp?

"P.S. All my friends are raging at having to pay tax the day after Miller brought in the reading of his budget."

That letter was written by an 80-year-old senior citizen in London who was purchasing plants for her balcony, the one form of activity that takes away the loneliness and gives senior citizens a more enjoyable life. Now we find that this Treasurer has taxed that form of activity.

A night out at the Ponderosa or other such restaurant that the senior citizen at one time could afford is now but just a dream for many of these senior citizens because of the added cost of sales tax. Essential items such as toothpaste, toilet tissue, personal hygiene items, soap, etc., now are being taxed, and to buy these items senior citizens are depriving themselves of some of the other activities in which they once engaged and which helped diminish their loneliness and made their life more enjoyable.

What the federal government has given senior citizens by way of old age security and guaranteed income supplement, this government now has taken away with the sales tax. I really think that is a crying shame.

Let me now turn to agriculture. First, I have something I would like to read into the record, because the Treasurer has been selective in referring to the letters he has received. He has not told us about the kinds of response he has been receiving which have not been favourable. But we have been informed about those kinds of response he has chosen not to talk about; so who does he think he is fooling?

Let me read the following news release, which was issued by the Ontario Federation of Agriculture after the budget was brought down:

"Our provincial politicians have been paying lipservice to agriculture. The budget was their opportunity to put their money where their mouths are and they blew it," Ralph Barrie, president of the Ontario Federation of Agriculture, said today.

"The budget allocated an additional \$11 million in new money to agriculture, \$6 million for tile drainage and \$5 million for farmstead improvements.

"The budget passed by agriculture with barely a nod of recognition," Barrie said. "The politi-

cians either don't believe there is a problem or they simply don't care."

"Barrie said the \$6 million for tile drainage could have been attractive in more prosperous times. He said, 'It is less attractive under present circumstances because of changes in the tile drainage program.'

"The loan rate has risen two per cent to 10 per cent. Governments used to subsidize up to 75 per cent of the cost but now subsidizes just 60 per cent, forcing farmers to borrow the other 40 per cent at current interest rates.

"The farmstead improvement program will just give farms a facelift," Barrie said. "It's purely cosmetic and won't do anything to make a farm more economically viable. Something more than a make-work program is needed, considering there have already been farm bankruptcies in Ontario this year."

"Barrie said the increases in Ontario hospital insurance plan premiums are also going to have a negative effect on the farm community. 'Over 70 per cent of private and public employees have their OHIP paid for them; 100 per cent of farmers pay their own. That will cost farm families an additional \$96 a year.'

"Barrie said the OFA would continue to put pressure on the provincial and federal governments to deal with the two major farm problems, lack of affordable credit and the absence of programs to help farmers achieve price and income security."

That is what the Ontario Federation of Agriculture, which represents 26,000 members, thinks about the Treasurer's budget.

The Treasurer talked about the tax holiday for small business and read into the record some letters he had received from people representing small business. I have also talked to small business people, and they tell me the Treasurer fails to understand that they do not pay a corporation tax when they are not making any money. The fact of the matter is, they are not making money. As we know, many of these small businesses are going broke.

Once again, one can be very selective in the kind of letters one cares to read into the record, but when one gets out into the real world and talks to some of the small business people, they will give information which the Treasurer is a little reluctant to give in this House.

Mr. Watson: You are being very selective.

Mr. Riddell: How much time have I got?

Mr. Watson: You've had long enough.

Mr. Riddell: I have not heard too much from the member for Chatham-Kent (Mr. Watson), who is supposed to represent the farmers as well. I have not heard a thing from him.

4:50 p.m.

This budget aptly demonstrates the failure of this government to recognize the importance of the farm sector to the Ontario economy or the substantial contribution of the farming community. We have some 85,000 farmers in Ontario, a further 73,000 people who work in the food processing industry and 10,400 people in farm machinery production. These 170,000 jobs in these three closely interdependent areas are gradually being eroded because of this government's inaction.

At a time when farmers were looking for some sort of meaningful relief for their financial problems, all they got was whitewash. This budget merely pays lipservice to the farming community while completely ignoring the real problems that farmers are facing.

Ontario farm bankruptcies are increasing dramatically and, under Conservative government guidance, stood the highest in Canada last year at 140. In 1979, Ontario farm bankruptcies stood at 64. In 1980, they had climbed to 122. Farm bankruptcies in the first four months of this year equalled the total number of bankruptcies for the entire year of 1979, which I remind members was 64.

The agricultural industry's outlook for this year is cause for concern, and perhaps even alarm, with net farm incomes forecast to decline 23.5 per cent. This is the highest decline in Canada.

How does this budget respond to these problems? It offers to spend \$14 million less for agriculture than it did last year. In fact, agricultural budgetary expenditures will decline to 1.1 per cent of total budgetary expenditures, down from 1.3 per cent last year and down from 1.83 per cent in 1971. In other words, since 1971 we have seen a decline in the total percentage of the provincial budget which is devoted to agriculture.

It offers farmers an increase in tile drainage loans of \$6 million. In fact, this amount is still about 40 per cent less than the demand last year and at best will only go to aid some 700 farmers even if they receive only half their maximum loan limit. Lest these 700 farmers out of the 85,000 in the province receive any benefits, the interest rates on these loans have been increased from eight per cent to 10 per cent. Only 60 per cent of the total drainage works will be covered,

down from 75 per cent, which means the rest of the funds will have to be borrowed from banks at normal bank interest rates.

When the principal and interest payments from previous loans are considered, the new money actually destined for the tile drainage program may amount only to some \$14 million and not the \$36 million the minister would have us believe.

Finally, this budget proposes to offer cosmetic assistance at a time when many farmers are struggling to survive, without the funds to plant this year's crop. An amount of \$5 million is to be offered to farmers to improve their farmsteads. No doubt, the Treasurer is concerned about getting the barns painted for the auctioneer—a cruel hope indeed. The increase in the Ontario health insurance plan premiums alone, which farm families must pay 100 per cent themselves, will cost Ontario farmers more than \$5.5 million and completely wipe out the farmstead program.

That is the extent of this government's commitment, or lack of it, to the agricultural industry in this province. The Ontario Federation of Agriculture reacted to the budget by stating: "The budget passed by agriculture with barely a nod of recognition. The politicians either do not believe there is a problem or they simply do not care."

My leader is asking me to wind up. I will wind up by giving some constructive recommendations. The members on the other side like to talk about how we do nothing but get up and give negative responses to government policy. All right, let me be positive. What is required, and what we in the Liberal Party would do to alleviate the economic problems facing our farmers, while ensuring adequate supplies of food for the future needs of consumers, is the following.

The overriding need is for low-interest loans for consolidated debt purposes. In 1975, the Farm Credit Corp. supplied 72 per cent of long-term farm credit; today it is down to 30 per cent. The Ontario Liberal Party would eliminate the government's ad hoc, Band-Aid program and introduce a provincial interest subsidy program on operating and long-term debt which would bring interest rates down to an affordable 12 per cent. Such a program would be based on a sliding scale depending on the immediate need of the farmer and a percentage of his assets to his liabilities. Assistance would be based on helping to pay operating expenses, rather than on expansion.

There is an immediate need for the government to encourage young farmers to get into farming. We would introduce a low-interest, long-term provincial loan program to encourage young farmers to get into farming now.

We would provide up to \$50 million per year for low-interest tile drainage loans, which would cover 75 per cent of the cost of the drainage work.

We would also introduce a right to farm act, which would preserve agricultural land and protect farmers from harassment and complaints of nonfarm encroachment into farming areas.

In view of the fact that the Ontario Veterinary College is in danger of losing its accreditation next year, and possibly its licence to teach, we would provide the necessary funds to ensure that Ontario farmers are provided with the best possible education and research facilities.

We would introduce legislation that would prohibit unfair discounting trade practices in the food industry, similar to legislation in the United States under the Robinson-Patman Act.

We would increase the capital support program for farmers for modernization of buildings, equipment, energy development, etc.

To replace the \$2.3 billion worth of agricultural and fine food products imported into Ontario each year, to create new jobs and to expand markets for farm products, we would create a special food strategy fund to support projects such as well-situated storage facilities, more processing plants, improved market intelligence and increased research and food storage. The government's Board of Industrial Leadership and Development program is supposed to address this problem, but the amount of food imported into Ontario clearly demonstrates that very little is being done.

We would introduce a program to assist the establishment of retail farmers' markets in cities that support such a program.

We would introduce a soil conservation program that would preserve the quality of our soil and allow a sustained yield.

We would introduce legislation to close the loophole that is allowing foreign, nonresident purchasers to bypass the Land Transfer Tax Act, and we would restrict ownership of Ontario agricultural land to Canadian citizens.

To ensure that the Ontario food industry has a secure, expanding and competitive energy supply, we would implement an energy strategy for agriculture that would emphasize conservation, fuel subsidization and energy production from agriculture.

Those are some of the programs we would introduce, not one of which was mentioned in the budget, and it is a pox on the government over there.

Mr. Jones: Mr. Speaker, I would like to join in the budget debate today as I think it would be helpful to add some kind of balance to the diatribe we have heard yet again from the opposition.

I listened to the member for Huron-Middlesex (Mr. Riddell) describe some of the so-called proposals he was making as recommendations to the government. They sounded very much like the BILD program that is under way.

In the course of his debate he took a couple of shots at the member for Chatham-Kent (Mr. Watson). If he would pause and reflect for a moment, it was through the efforts of that member that the new farm technology centre planned for Chatham came into being and is now on its way to Chatham. So let us not take away from a member who has given that kind of support to his industry, agriculture.

He talked about storage facilities. That is old news. The government is already going forward under the Board of Industrial Leadership and Development program with new ways to identify high technology which can be harnessed in Ontario so that the domestic food industry can be utilized to its maximum in this province. So lest we forget, and in order to maintain a balance, this government is ahead in some of the things the member for Huron-Middlesex was recently outlining.

5 p.m.

I would like to summarize briefly what I think is the main flavour, the main purpose, the main focus of the budget that the Treasurer (Mr. F. S. Miller) brought to us. Somehow or other the main theme seems to have been lost in the shuffle of normal debate that opposition parties like to generate.

Perhaps something from outside the borders of this province would help us regain some perspective on the purpose of this budget. For example, *La Presse* was editorializing on May 22 about Quebec's budget and also about ours, and I think it is helpful to stand back from outside this province and see just what they had to say about our budget here. For example, Alain Dubuc wrote:

"Ontario is subject to the same budgetary pressures as Quebec. The recession has caused its revenues to fall and has raised its expenditures on social payments while new fiscal agree-

ments imposed by Ottawa will cause a loss of some \$300 million in revenues.

"These two factors have created a gap. However, Frank Miller has filled it without too many victims. On the one hand he has raised OHIP premiums"—and we have heard a great deal about that. "He has taxed a long list of products." But the article goes on to say, "The product of these taxes, \$340 million, all has been almost completely applied to job creation programs, to house-buyer programs and to the abolition of taxes on the profits of small business."

I read that into the record because that is being observed from outside our province. We have to remember what the main purpose of this budget was; what it set out to achieve and how evidence is now coming back to us that the Treasurer's purpose did strike the mark and is receiving very favourable comment from across the whole of the province.

The member for Hamilton East (Mr. MacKenzie) was commenting that four people had told him recently the budget was not terribly favourable to them. Then other members chose to make light of what some people have written, which the Treasurer shared with us. They included the Canadian Manufacturers' Association, individuals in business in western Ontario, and a host of other comments that have come back. Someone started to make fun of small business and some of their representatives, such as John Bulloch. But after all, as the Treasurer put it rather clearly, one of the main thrusts of this budget was to help challenge Ontario's economy and help remove some of the impediments that have come from a negative attitude.

The member who last spoke said he wanted to get away from the brush painting that has always been attached to that party, and lately, we see it rearing its head yet again. Members will recall that the Treasurer said very clearly—and we all know it in our heart of hearts if we are honest and forget the debate for a moment—that the people in this economy who create no less than some 50 per cent of the new jobs are the farmers the member was just talking about, and the small businesses.

We talked about the fact that there is a lack of confidence in the economy and in those important sectors of job creation. Whether it is the Canadian Manufacturers' Association or small business representatives who speak, it is not be taken lightly when these people ask, "Help us to help ourselves and to restore the confidence in the economy that is so desperately needed at this time."

It is against that backdrop that the Treasurer brought forward this budget which had job creation as its main theme. It put \$171 million in a four-point program to create 31,000 jobs and that is but one phase.

Mr. Cooke: Don't be silly. Even you don't believe that. That's silly.

Mr. Jones: The member says that is silly. In his debate he only spoke about 31,000 new jobs and one particular program in this budget out of several complementary programs.

Mr. Cooke: That is not accurate.

Mr. Jones: I listened to the member and he talked about only 31,000 temporary jobs. That is under one particular heading, the creation of short-term jobs, and that was the package of \$171 million. He chose to ignore, or make light of the fact, that the youth employment program had an increase of some 14 per cent. There are other programs on page 6 of the budget book, but the member was looking at page 7.

Mr. Cooke: It is the only substance in your budget.

Mr. Jones: That is not so. There is a 14 per cent increase this year over last in the programs that were proven to work. The member should look at the OYEP program, with \$30.4 million and 57,000 jobs. The young people are going to be terribly grateful for that. It is okay for the member to pooh-pooh those jobs, but those programs work in harness with the private sector as he well knows. They are very well received and important to small business and indeed to the business community as a whole.

The opposition chose not to touch upon the new winter program and others which are provided for in the budget. The Ontario career action program and others that have proved vital to young people in this province, ought not to be sneered at. They have been improved and increased as part of the Treasurer's objective in this budget to help create jobs.

Of all areas, probably the most sensitive is small business, which in the past we have always been told the member's party has recognized as having that need. But the critic for the New Democratic Party, with all his interjections, chose to ignore small business. All of a sudden the friends of small business in the NDP were gone. That is not the reaction the Treasurer is sharing with members this afternoon as he joins the debate, nor is it the reaction we are receiving from the small business community, for we do communicate with them.

There is an impressive list of other aspects of

job creation. We cannot ignore the fact that the new home buyers' program was intended to serve many needs. It is intended to help with rental accommodation and to provide new homes for young couples. It was also intended to stimulate the economy and create jobs in that important sector. As a matter of fact, as of today some 690 applications have been received by the Ontario Mortgage Corp., 421 from renters and 269 from first-time buyers.

As we address ourselves to all the problems that exist in our economy today, from external as well as internal causes, the main thrust of this budget has been forgotten in the debate. I know that was the intention of the opposition. It was a good news budget, given the backdrop against which the Treasurer had to work. That was what was said in the letters the Treasurer was sharing with the members of the opposition. But that does not suit their purposes in opposition. I understand that.

To refer to the comment made by someone from outside our borders, nobody likes taxes. But that \$340 million went directly back into job creation programs.

5:10 p.m.

The Treasurer was faced with a shortfall in federal funding of some \$300 million and an economy where small businesses, employers and young people were saying they needed a psychological lift and an opportunity to help get the economy going again. He responded with a budget we find is doing that in many important areas, the main focus being on employment, new job creation and the preservation of other jobs.

I know this was touched on earlier in the debate. A lot of people said that somehow or other we have ignored inventive ways to utilize unemployment insurance. That just ignores a section on page five which talks about the co-operative projects employment fund and the things it will do to preserve the 6,000 jobs alluded to there.

I would ask all members to remember, as we close this debate on the budget, that the main thrust was to restore confidence in the economy and assist in unemployment, the most important of all issues, and help in job creation. I believe that has been achieved.

The Deputy Speaker: The member for Scarborough West, in rotation. Your party has approximately 20 minutes left.

Mr. Cooke: Where is the enthusiasm?

Mr. R. F. Johnston: Thank you, Mr. Speaker, I appreciate that. Each time I rise, the calls come up behind me, "Where is the enthusiasm?" I have never understood why this takes place.

I rise as a member of my party to condemn this budget, to call for the retraction of this budget and to show we have a lack of confidence in this government to be able to manage the affairs of this province.

In my mind and my party's mind, this is a crass, class budget. Those who have, get more. Those who have not, get less. It is straightforward. It takes away from those who already have little and it gives to those who have more.

The budget is explicit: On OHIP premiums, this is a regressive tax which is the same for all except for those few who happen to be found to qualify for assistance in this great province; the sales tax affects us all equally no matter how much money we have and, therefore, affects the poor more because they have less to operate with.

It is also implicit in this budget—and that is where it is most insidious—this budget implicitly states that doctors in this province, who are already earning \$90,000 a year on average or whatever the figure is—

Mr. Wildman: It is \$83,000.

Mr. R. F. Johnston: Earning \$83,000 a year on average—

Mr. McClellan: Soon to be \$122,000 on average.

Mr. R. F. Johnston: They will receive implicitly in this budget, this year, \$13,000 extra to live on; \$13,000 to catch up to the standard of living which we should expect for them in this province. Next year that will be raised by approximately the same amount again so that in a two-year period, implicitly in this budget we are saying they should get a raise of \$26,000; \$750 million committed by this government to increase the wealth of doctors in this province over a three-year period.

On the other side of this implicit, insidious budget, the poor will stay poor. There is no mention in this budget, as I have said before in this House, of anybody who is on public assistance getting more money because times are tough. There is a lot of comment about successful businesses getting more breaks in this budget because times are tough, but there is nothing about the very poor in this budget at all, except that one mild reference to the fact that those who are receiving public funds should not

expect to continue to receive inflationary increases.

The Minister of Community and Social Services (Mr. Drea), who is responsible for seeing that people have a basic income in this province, affirmed in committee during estimates yesterday that was the case. People on public assistance in this province should not necessarily expect to be able to continue to have those programs which support them funded at even the rate of inflation in this province. They will never catch up. The gap will always be larger. This government has stated that: "Hard times are upon us, and we will decide which side we are on. We will help our friends, who are the wealthy, the successful, the winners in our society. Those are who we will help."

The trickle-down theory is that if one puts enough money into the pockets of the wealthy some of it will trickle out of their pockets and find its way onto the sidewalks where the poor will benefit by it. Most likely it will benefit the poor in the Bahamas or the poor in Europe, as our wealthy are now able to travel on a continuing basis, but it sure is not doing much for the poor in this province.

We know what side the government is on. This budget has made it abundantly clear. Let me just say what side we are on. As a Socialist, I believe a rule of government is to make sure that all people have a right to share in the wealth of a nation.

The government believes that doctors—and it's implicit—should receive another \$13,000, but does it believe that a welfare recipient has the same rights, the same worth? No it certainly does not. It has been shown in terms of this budget.

Letters seem to be very popular today. The Treasurer was reading letters. I dare say we would be able to read significantly more from this side, in terms of opposition to this budget. Here is one written to the Premier (Mr. Davis) by a Miss Ivy Simons of Windsor, Ontario.

She writes: "Here it is budget time again and as usual you are sticking it to the poor and working-class citizens of our province. Many items of your budget do not concern me. I do not smoke, very seldom drink or go out. I do not travel much, as I can barely afford to feed my son.

"I am on welfare receiving \$346 a month. I have a couple of minor bills, and my rent is \$99 plus hydro. Bus fare here is 75 cents one way. I do not know if you know much about diabetes, but it is very important to eat a very balanced

diet six times a day plus extras if they should have a reaction.

"Try grocery shopping for items that are sugar free. They cost extra. In the \$346, I am allowed \$10 for my son's diet. This pays for one large bottle of Sucaryl and rubbing alcohol, never mind food. Now, with your changes in the tax structure, I will have to pay tax on a lot of goods that were once tax free. I calculate this will probably cost me \$3 to \$5 weekly. Not much, actually, but with my income this means I will have that much less to buy groceries for my son. It will be his apples and oranges, fresh fruit and vegetables, a must, but one can stretch a dollar only so far.

"The next time my son is hospitalized due to his disease, I sure wish it could be you hearing his screams and not me. I also wish you could be here every day at meal time when he asks why he cannot have an apple or an orange, etc.

"Congratulations, you have sure done it to the poor again. I will be sure to tell my son it is Bill Davis' fault that he cannot have the things he needs to keep healthy."

Hon. Mr. Gregory: Did you write that letter yourself?

5:20 p.m.

Mr. R. F. Johnston: I did not write that myself. It was given to me by the member for Windsor-Riverside (Mr. Cooke). Ask the Premier.

Who are the poor in this province? They are the Family Benefits Act mothers, mothers with one child who, as I have said before, have lost 14.8 per cent against inflation since 1975. They are a mother and one child, recipients of FBA and the guaranteed annual income system for the disabled, who have lost 16.4 per cent against inflation since 1975.

They are general welfare assistance recipients, a mother with one child, who have lost 23.4 per cent against inflation since 1975. They are workers receiving workmen's compensation who have lost 23 per cent against inflation since 1975. They are minimum wage earners who in 1975 in this province, used to receive an income of about 47 per cent of the average industrial wage and who are now receiving 38 per cent of the industrial wage.

That doctors' increase I talked about earlier on is the equivalent of three times what a single person on GWA receives to live on in a year; the increase is that much. It is two times what a mother with two children on FBA would receive in a year to live on; and it is 2.5 times what a

single disabled person in this province is expected to live on.

If one lives in the city of Toronto and is on general welfare, besides the \$238 a month that one receives, one is also eligible for a maximum \$50 shelter allowance. The average single apartment in Toronto rents for \$360 a month at the moment. The average room with a shared kitchen rents for over \$200 dollars a month at this moment.

This government has made its choices and has made them clear. It will give money to the doctors, but will not give money to the poor. It is for that reason that this budget must be defeated, and for that reason this government should go to the people and face the music, so the people can return a government that at least has some heart.

The Deputy Speaker: The member for Kitchener-Wilmot has the floor. It is also my understanding that in terms of time allocation your party has seven minutes.

Mr. Sweeney: I noticed three things that seemed to be coming from the other side of the House. One is that there are all kinds of people out there, according to the Treasurer, who are very happy with this budget. I would concur with one of my former colleagues who said that he is being very selective in the kinds of references he makes, and I want to read a couple of the others.

The second point they make is that job creation was the great thrust of this budget. I want to suggest a couple of things they have done in this budget which do just the opposite.

The third point the Treasurer makes is that things are so bad he did not have very much room to move. Maybe we had better take a look at the last 10, 11 or 12 years and find out why things are so bad in this province that he did not have very much room to move.

The Treasurer talks about people who approve of his budget, but I am quite sure he got a copy of the press release from the Association of Municipalities of Ontario.

Mr. Roy: He did not read that one.

Mr. Sweeney: No, he did not; and I wonder why. Let me just read a couple of lines, and perhaps we shall understand why he did not read it. This same Treasurer who stands up here day after day, berating the federal government about what they are doing to poor little Ontario, does not tell what his government is doing to the municipalities and the school boards in this province. Oh no, we do not hear the other side

of the story. We hear a one-way street sob story from the Treasurer of Ontario about what the government of Canada is doing to them.

For example, he does not say that according to this press release the Association of Municipalities of Ontario records strong objections to those new provincial tax initiatives that place additional financial burdens on local government. He does not tell us about that. He does not tell us about the statement that says, "The Treasurer's proposals will exacerbate the already diminishing capacity of municipal governments to meet necessary local services."

He does not tell us that the provincial expectations that municipal governments are able to assume these additional costs are very unrealistic. We do not hear about those. He does not tell us the budget, in effect, offsets the 1982 transfer payments, and the impact of the budget now magnifies many times this inadequacy. I could go on and on for the next 10 or 12 pages of this statement where the association records chapter and verse what this budget has done to it. He did not read that.

I am sure he also got a letter from the Ontario Restaurant and Food Services Association telling him what it thinks of his budget. I'll bet he did not choose to read this paragraph: "There is another segment of the market whose purchases of meals are not discretionary. People who are unable to return to home or who lack the cooking facilities to prepare their own meals must eat in cafeterias and budget restaurants. Students, workers, the elderly and travellers frequently find themselves in this position. They are essential and basic meals, served to a low income market." We did not hear that letter at all.

Another one he did not choose to share with us—and I am sure he has a copy of a motion that was presented to the York County Board of Education just a few days after his budget. But maybe he did not see it because he was travelling to Japan. He was out of the country, because he did not want to hear these kinds of things.

The motion says, for example, "The board directs its business office to do an immediate cost analysis of this budget." The amount it is going to cost that board is \$250,000.

He does not point out the part that says some change must be made, or the part of this motion which says, "The board informed the ministry that it is suspending initiation of all approved capital projects." Do members know why the school board is doing that? I'll bet dozens of

other school boards and dozens of municipalities across this province are doing the same thing. This budget that is supposed to create jobs has caused school boards and municipalities to suspend capital projects that were supposed to be accelerated, capital projects that were supposed to produce jobs, but will not be done at all, because he is going to drive them into deficit.

We are talking about municipalities and school boards that have already fixed their budgets. We are talking about municipalities and school boards that have already set their mill rates. Then the Treasurer comes along and tells them they are going to have to put out more money they do not have. The University of Waterloo has calculated the budget is going to cost it \$1 million extra when all the factors are taken into consideration.

I was just looking at page 31 of this budget. Here is a minister who cries about what the federal government is doing. But on page 31 of this budget, in the table at the back, it is interesting to note that in 1978, the amount of the budget going to education was 26 per cent; in 1979, 25 per cent; in 1980, 24 per cent; in 1981, 23 per cent; and this year it is 22 per cent. The budget allocation for colleges and universities is down in percentage every single year, 26, 25, 24, 23, 22. We talk about job creation, but that is what the budget is doing to the very institutions which will train people in the kinds of skills and education we need in this province. What hypocrisy.

This government has often talked about job creation in the conservation area, getting people to put on storm doors and storm windows or getting them to put in insulation. That will not only save energy, but also create jobs. But this same minister now taxes those kinds of job creation.

I have travelled all across this province and talked to young people who are out of work and to employers. This budget does nothing about job creation for those people.

5:30 p.m.

Mr. Brandt: Mr. Speaker, I welcome this opportunity to make a few comments and observations to my colleagues opposite on the budget that was brought in by the Treasurer (Mr. F. S. Miller) on Thursday, May 13. Let me say at the outset that I stand along with my colleagues on this side of the House in solid support of the budget the Treasurer brought in.

That is not to say that as a fiscal conservative I would not have liked to have seen a lower

deficit. In addition, I can tell the members opposite that the members on this side of the House would also have liked to see a budget that did not require an expansion of the tax base and did not require increased government revenues, particularly, I might add, an expansion of retail sales taxes.

Mr. Laughren: Right on.

Mr. McClellan: Where is George Ashe?
Interjections.

Mr. Brandt: Let me finish.

I daresay many worthwhile programs have been brought in as a result of the increased revenues this budget has required, which will stimulate vital sectors of our economy. I would refer this chamber to the \$171 million dollar job creation plan which they have asked for and talked about on that side of the House, the \$75 million renter-buy program and the \$250 million small business tax relief for the next two years that will assist small businesses in this province.

Moreover, the tax decrease on hospitality accommodation and the relief given on corporate income tax will further strengthen the Ontario economy in the year ahead. Of course, these programs are not a complete economic cure and they are not meant to be. I have always been of the belief that government cannot spend itself into prosperity and cannot spend itself out of a period of economic stagnation. This is especially true when the economy is in a downturn.

What we must face is the reality—
Interjections.

Mr. Speaker: Order.

Mr. Brandt: What we are prepared to face on this side of the House is the reality—

Interjections.

Mr. Speaker: Order.

Mr. Brandt: I am being provoked, Mr. Speaker.

What we are prepared to face on this side of the House is the reality that we do have a very difficult economy at the present time. The members opposite would like to blame all of that problem on this government. In a political sense, I suppose this is to be expected from the opposition parties.

An hon. member: Simple minds, Andy.

Mr. Brandt: Simple minds come to simple solutions.

If we make an honest objective analysis of the economic slowdown that is being experienced by virtually every industrialized country in the

world today, an entirely different picture emerges. Not only are layoffs, plant closures and rising unemployment occurring in just about every other jurisdiction in the world but the losses, I suggest, are deeper and more critical elsewhere than they are in Ontario.

Interjections.

Mr. Brandt: If they will listen for just a moment I will tell them.

Just a partial list shows the United States lost 1.5 million jobs last year and the United Kingdom more than a million. Even supposedly strong economies like Japan's lost 70,000 jobs and West Germany a quarter of a million.

Let us consider unemployment statistics in comparative jurisdictions that are closer to Ontario. While Ontario suffered a 6½ per cent unemployment rate last year, neighbouring economies experienced significantly higher levels of joblessness. For example in Quebec the rate was 10½ per cent, in New York state it was 7½ per cent, in Pennsylvania it was 8½ per cent and in the neighbouring state of Michigan it was over 12 per cent.

Interjections.

Mr. Speaker: Order. Order.

Mr. Brandt: Mr. Speaker, the point I want to make very simply is not that Ontario should feel comfortable because our job losses and our unemployment rate are better than most but that we should come to grips with the reality that the world economy is in a recession and that, quite frankly, with all due respect to the member for Huron-Middlesex (Mr. Riddell), we are not sheltered in Ontario from this reality. This is especially true in the Canadian context because of the large contribution that international trade makes to our gross national product.

Clearly our province and, indeed, our country are exposed to the fluctuations of international activity. When that activity is impeded by skyrocketing interest rates set by the opposition members' federal friends in Ottawa the effects are as extensive as they are injurious. They tend to hit provinces like Ontario particularly hard because a large percentage of the products that are manufactured here are exported.

Mr. Gillies: Terrible. Resign.

Mr. Brandt: Who?

Mr. Gillies: Them.

Mr. Brandt: Oh, yes.

That is why the Treasurer's budget provides the needed stimulative measures in certain very specific areas of the economy while maintaining

this province's traditional policy of government restraint and effective fiscal management.

This is especially true when one considers the limp offerings from the members across the floor. To begin with I must admit to a feeling of disappointment after reading and listening to the remarks of the official opposition party's finance critic. I sat in this House, as many members did, when the honourable member waxed eloquent last week for more than two hours on the challenges that our province's economy will face in the years to come. I was disappointed, quite frankly, that he failed to mention the part his federal colleagues have played in complicating that challenge. But I suppose this is to be expected.

Equally disturbing was the lack of any semblance of an economic platform that one could look at from this side of the House. Vague rhetorical statements made by the member for Rainy River (Mr. T. P. Reid) such as, "We want to see an expanded program for agriculture, tourism and small business" only reinforce my opinion that the economic policies of this government enjoy much broader support in this House than many people realize. In fact, \$11 million in additional agricultural funding was put into the budget, a \$10 million accommodation tax reduction was put into the budget and \$250 million for small business, which the honourable member knows quite well is going to assist this province in coming out of some of the economic problems that we have at the moment.

The members on the other side of the House consistently—and here is the hypocrisy from that side of the House—demand an expansion of services. They talk about health services, subsidies for small business and agriculture, social services, transfers to municipalities—we just got through talking about that—education—

Mr. Roy: And Suncor.

Mr. Brandt: Suncor does not answer it all, Albert, I am sorry. Funding for day care, better roads for a cleaner environment, for the handicapped, for seniors—the list goes on and on. One of the things we do not hear about from that side of the House—rarely if ever do we get any suggestions, and we understand why—are methods that might be used to raise money. We only hear how to spend it. The opposition members cannot have it both ways.

5:40 p.m.

By way of summation, much good will come from this budget. There was much more I

wanted to say about some of the actions taken by this government that I feel are positive moves for the future of this province. We are confident about the business climate of Ontario, and I want to express on behalf of all members on this side of the House our confidence in the Treasurer of Ontario.

Mr. Cooke: Mr. Speaker, it is nice to see so many Tories here because we see them so seldom.

Hon. Mr. Pope: Where is your leader?

Mr. Cooke: The Treasurer has been out of the country for a week. I understood he was not in Japan but in protective custody for a week.

The Treasurer is interjecting but I cannot hear him over here. It is very nice not to hear him.

Interjections.

Mr. Speaker: Order. The member for Windsor-Riverside has the floor.

Mr. Cooke: I thought the first thing the Treasurer would do when he got back from Japan would be to tell us what he had accomplished. And I guess he did: there was no statement in the House and that was indicative of what he had accomplished in Japan. He goes all over the world just as the former Minister of Industry and Tourism (Mr. Grossman) used to do, looking for investment. We know the Treasurer is where he wanted to be but the Treasurer won the power struggle. But then he became Minister of Health and took all the present Treasurer's money anyway.

I want to spend a few minutes talking about the regressive budget the Treasurer (Mr. F. S. Miller) so proudly brought in and that the member for Sarnia (Mr. Brandt) so proudly defended. I was very pleased the member for Sarnia did not once mention our prebudget package. It is very easy to punch holes and pick fault with his party. He did not talk about our package because our package had substance.

The basic thrust of this Conservative budget is one that was stated by the Treasurer before he went to Japan: it was a budget for winners and a budget for his friends. If one is a home owner about to lose his or her home one is a loser in Ontario, and the Treasurer will not help. If one is a small businessman who is unincorporated or is not making a profit, do not look to the Conservative government for help. They do not care. If one is a farmer who is going bankrupt, do not look to this government for help. It does not care. If one is a tenant and the rent is going up because the landlord is having to refinance,

do not look to this government for help. All it cares about are the winners in Ontario.

If one is on general welfare, family benefits or workmen's compensation do not look for help from this government. It does not care about the people. All it cares about is the doctors: it wants to make them richer. This government decided to increase Ontario hospital insurance plan premiums to the extent of \$96 more for families.

As of January 1, this government raised income tax by a further \$57. Now this government has raised sales tax or eliminated exemptions to the amount of a further \$100 to taxpayers. There is the ad valorem gas tax. The government no longer has to come to the people's representatives for approval. It just raises the tax automatically as it does with so many things. That will cost the people of Ontario, on average, \$35 more. Tobacco and liquor will be \$17. All that adds up to \$305 for middle- and low-income families, and that means lost purchasing power, and it means lost jobs because of this government's budgetary policy.

Appendix A of the budget lists some of the things they are going to tax now: Personal hygiene and household cleaning products; materials and equipment such as storm doors, storm windows and chillers; and materials incorporated into buildings or structures owned by municipalities or school boards. What ridiculousness on the part of this government.

School boards and the municipalities have not kept up with the rate of inflation through grants from this government and now they intend to transfer more costs to those creatures of the province. The Premier defended that taxation and said it would only be one to 1.5 per cent of their budgets. The amount of money this government is losing in transfers from the federal government is less than 1.5 per cent. Yet, they kicked and screamed about that, and now they are doing exactly the same thing to the municipalities of this province.

Hon. Miss Stephenson: It is not.

Mr. Cooke: The Minister of Education should not say it is not so. She does not know what she is talking about. She gave the Windsor Board of Education a one per cent increase and took away \$600,000 in sales taxes.

Let us talk about small business. Again, they are only helping the winners. The fact is the 60,000 incorporated small businesses have to be making a profit in order to benefit. As of April 30 of this year, 1,207 business bankruptcies have taken place. If that trend continues throughout this province for the rest of the year, 18,000 jobs

will be lost in the small business sector. That is 8,000 more jobs than this Treasurer's most optimistic figures predict will be created from the \$250 million giveaway by this government. It is a bloody disgrace.

Let us take a look at the housing program this government has come up with. The Treasurer's own officials would not defend the 38,000 jobs to be created. The \$5,000 for those people who can already afford to buy houses—they have to qualify for a mortgage—is nothing more than a bribe to the friends of the Conservative Party. The 38,000 jobs to be created are just a hope on the part of the Treasurer. In this province, there are already more than 10,000 brand new homes waiting to be purchased, and this program is designed, at maximum, to help 15,000 people buy homes.

There are two major flaws in this program. First, it helps those who need no help, and second, it will not create the jobs. I talked about the effects on the municipalities, but let us look at the short-term job creation program of this budget. There are to be 31,000 jobs created when 575,000 people are unemployed in this province.

The municipalities we have visited so far in our task force examining this budget have told us they will not be able to take advantage of this money. Sure, the labour costs will be paid but the building materials still have to be purchased. They will be taxable now and mill rates have already been set.

Even for this part of the Treasurer's budget it is questionable as to whether it will create the 31,000 jobs. Even if it does reach its most optimistic projections, 31,000 jobs is a drop in the bucket at a time when this province is deindustrializing every day. Spalding is the latest example. This budget does not come to terms with the structural long-term economic problems facing this province. The number of calls this caucus has received and the numbers of letters I have received show very clearly this budget will not soon be forgotten and it will come back to haunt this government time and time again.

Mr. Speaker: We are voting on a motion standing in the name of Mr. Foulds.

The House divided on Mr. Foulds's motion, which was negated on the following vote:

Ayes

Boudria, Bradley, Breaugh, Bryden, Cassidy, Charlton, Cooke, Copps, Cunningham, Di Santo, Eakins, Edighoffer, Elston, Epp, Foulds, Grande, Haggerty, Johnston, R. F., Laughren, MacDonald, Mackenzie, Mancini, McClellan, McGuigan, McKessock, Miller, G. I., Newman, Nixon, O'Neil, Peterson, Philip, Reed, J. A., Reid, T. P., Riddell, Roy, Ruprecht, Ruston, Samis, Spensieri, Swart, Sweeney, Van Horne, Wildman, Worton, Wrye.

Nays

Andrewes, Baetz, Barlow, Bennett, Bernier, Birch, Brandt, Cousins, Cureatz, Davis, Dean, Drea, Eaton, Elgie, Fish, Gillies, Gordon, Gregory, Grossman, Harris, Havrot, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kolyn, Lane, Leluk, MacQuarrie, McCaffrey, McCague, McLean, McMurtry, McNeil, Miller, F. S., Mitchell;

Norton, Piché, Pollock, Pope, Ramsay, Robinson, Rotenberg, Runciman, Scrivener, Sheppard, Shymko, Snow, Stephenson, B. M., Stevenson, K. R., Taylor, G. W., Taylor, J. A., Treleaven, Villeneuve, Walker, Watson, Welch, Williams, Wiseman, Yakabuski.

Ayes 45; nays 64.

Mr. Speaker: Before I leave the chair, I would like to draw the attention of all honourable members to an address to Her Majesty, Queen Elizabeth II, Queen of Canada. It is a very imposing document signed by the government House leader, the representative of Her Majesty's loyal opposition and a representative of the third party, the Speaker and the Premier. We will have it on display at the bar of the House for—

Mr. Nixon: That's downstairs you know.

Mr. Foulds: That's the wooden bar across the entrance.

Mr. Speaker: —for the edification of all members who may want to see it before it is dispatched.

Mr. Nixon: I'll take it.

Mr. Speaker: If you wish. Oh, too late.

The House recessed at 6 p.m.

CONTENTS

Tuesday, June 1, 1982

Statements by the ministry

Drea, Hon. F., Minister of Community and Social Services:	
Income maintenance programs.	2200

Grossman, Hon. L. S., Minister of Health:	
Deaths at Hospital for Sick Children.	2199

Snow, Hon. J. W., Minister of Transportation and Communications:	
Capital works projects.	2201

Oral questions

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:	
Pickering land expropriation, Mr. Roy.	2212

Bernier, Hon. L., Minister of Northern Affairs:	
NorOntair move, Mr. T. P. Reid, Mr. Wildman.	2210

Grossman, Hon. L. S., Minister of Health:	
Deaths at Hospital for Sick Children, Mr. Peterson, Mr. McClellan.	2202
Nursing home care, Mr. Cooke.	2211

McMurtry, Hon. R. R., Attorney General:	
Release of dangerous offender, Mr. Kelyn.	2211

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Tax on nonprofit organizations, Mr. Peterson, Mr. Foulds.	2204
Footwear industry, Mr. Foulds, Mr. O'Neil, Mr. Cooke.	2205
Spalding Canada, Mr. Foulds, Mr. Wrye, Mr. Wildman.	2207

Norton, Hon. K. C., Minister of the Environment:	
Hamilton harbour water quality, Ms. Copps, Mr. Cunningham, Mr. Charlton.	2208

Ramsay, Hon. R. H., Minister of Labour:	
Inco dispute, Mr. Laughren, Mr. Wrye.	2209

Report

Standing committee on social development, Mr. Shymko, tabled.	2213
--	------

First reading

Plain Language Act, Bill 129, Mr. Mancini, agreed to.	2213
--	------

Private member's motion

Budget measures, Motion 26, Mr. Foulds, Mr. F. S. Miller, Mr. Mackenzie, Mr. Riddell, Mr. Jones, Mr. R. F. Johnston, Mr. Sweeney, Mr. Brandt, Mr. Cooke, negatived . . .	2213
---	------

Other business

Correction of media reports, Mr. J. A. Reed.	2199
Visitor, Mr. Speaker.	2199
Notices of dissatisfaction, Mr. Speaker.	2213
Recess.	2238

SPEAKERS IN THIS ISSUE

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)
Bernier, Hon. L., Minister of Northern Affairs (Kenora PC)
Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Charlton, B. A. (Hamilton Mountain NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Copps, S. M. (Hamilton Centre L)
Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
Cunningham, E. G. (Wentworth North L)
Drea, Hon. F., Minister of Community and Social Services (Scarborough Centre PC)
Foulds, J. F. (Port Arthur NDP)
Gillies, P. A. (Brantford PC)
Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Johnston, R. F. (Scarborough West NDP)
Jones, T. (Mississauga North PC)
Kolyn, A. (Lakeshore PC)
Laughren, F. (Nickel Belt NDP)
MacDonald, D. C. (York South NDP)
Mackenzie, R. W. (Hamilton East NDP)
Mancini, R. (Essex South L)
McClellan, R. A. (Bellwoods NDP)
McMurtry, Hon. R. R., Attorney General (Eglinton PC)
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)
O'Neil, H. P. (Quinte L)
Peterson, D. R. (London Centre L)
Philip, E. T. (Etobicoke NDP)
Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Reed, J. A. (Halton-Burlington L)
Reid, T. P. (Rainy River L-Lab.)
Riddell, J. K. (Huron-Middlesex L)
Roy, A. J. (Ottawa East L)
Samis, G. R. (Cornwall NDP)
Sargent, E. C. (Grey-Bruce L)
Shymko, Y. R. (High Park-Swansea PC)
Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Sweeney, J. (Kitchener-Wilmot L)
Turner, Hon. J. M., Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Watson, A. N. (Chatham-Kent PC)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)



Ontario

LEGISLATIVE ASSEMBLY

No. 63

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Tuesday, June 1, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, June 1, 1982

The House resumed at 8 p.m.

ONTARIO UNCONDITIONAL GRANTS AMENDMENT ACT (concluded)

Resuming the adjourned debate on the motion for second reading of Bill 28, An Act to amend the Ontario Unconditional Grants Act.

Mr. Rotenberg: Mr. Speaker, I would like to thank all the honourable members who commented on this bill last night, and in the next few minutes I would like to attempt to reply to some of the comments that were raised. It is to be hoped that the members opposite will support this bill that is going to give a lot of money to the municipalities of Ontario which are anxiously waiting for their cheques.

In our economy today, of course, everybody wants more than he is getting. That is probably the way it should be but, in these times of budgetary restraints on all sides and at all levels of government, everybody cannot get as much as he wants from every level of government.

The total increase of the package of unconditional grants from the province to the municipalities of Ontario is approximately 10.5 per cent overall. Some get a little more and some get a little less, but the overall increase is 10.5 per cent.

Much of the debate last night revolved around what are called the police grants. The police grants, although they are marked as police grants, are really unconditional grants. Unlike the health grants, welfare grants or educational grants, the police grants do not necessarily have to be spent for police purposes; they are given to the municipalities to spend for whatever purpose they want.

Let us understand first, Mr. Speaker, that out of the 830-odd municipalities in this province some 600 municipalities are policed by the Ontario Provincial Police. They do not get police grants; all their police costs are paid by this government. We are not talking about all the policing in the province; we are simply talking about the 230 or 240 other municipalities that have their own police forces.

The question has been raised, why do regions get \$17 per capita for so-called police grants while other municipalities get only \$12 per 1,000

of population? The reason is that the regions have to police both urban and rural areas. Whereas on a square mile basis the rural areas perhaps do not cost all that much to police, on a per capita basis the rural areas cost far more to police than do the urban areas.

The member for Ottawa East (Mr. Roy) has raised this again as he did last year and as he probably will for years to come. Ottawa-Carleton is a regional government that does not have regional police forces. Some of the municipalities in Ottawa-Carleton have their own police forces. Some of them use the Ontario Provincial Police.

If one combines all the money contributed by this government to Ottawa-Carleton for police purposes at \$12 per 1,000 of population to those municipalities that have their own police forces, and the total cost for those municipalities that are policed by the OPP, by a strange coincidence, and it is a coincidence, we pay to Ottawa-Carleton exactly \$17 per capita for police purposes.

Let us take Essex county, because the members from Windsor also raised it. If Essex county were a region consisting of the city of Windsor plus the suburban municipalities, and one took all the money we have spent in Essex county for police purposes, it would come out to \$16 per capita.

Getting up to Algoma region, because the member for Algoma (Mr. Wildman) mentioned it, if one includes Sault Ste. Marie, Michipicoten and all the surrounding territory, we spend \$18 per capita in Algoma region for police purposes.

It is not because we are discriminating. It is not because we are trying to get anybody forced in or out of regional governments. It is simply a recognition that regional governments combine urban and rural areas and, if it were not for the regional governments, the OPP would have to spend a lot of money for those areas. As a government, we recognize this and pay the regional governments which have to police rural areas as well as urban areas sufficient to cover the cost of the rural areas.

The member for Oshawa (Mr. Braugh) criticized us because, he said, the unconditional grants were conditional. This is really stretching a

point. The unconditional grants are unconditional. The only so-called condition the member for Oshawa pointed to was simply that when we give grants to regional governments we have to put in a formula as to how the regional governments apportion them down to the local level. There is no condition on how they spend them, but there has to be a regulation as to how the grants are apportioned down—it simply comes off the top—so that every person in the municipality gets credit for the regional grant.

If that is the only criticism the member for Oshawa has of this bill, I think he should support it. This is not a conditional grant as it is in education or health or welfare, where it is earmarked for specific purposes.

Mr. Breugh: Which is it? Pick one and stick with it if you want it to be unconditional.

Mr. Rotenberg: These are totally unconditional grants. The police grant does not have to be paid on conditions.

The member for Algoma quite rightly raised the question of the additional cost for policing in his district. He is correct, there is additional cost. But I point out to him and to other members opposite that this unconditional grant has to be taken as a total package, really. One cannot pick and choose a certain thing and say one is getting the short end of it.

For example, for one of the grants we give six per cent of the levy to every municipality in southern Ontario and an additional 18 per cent to every municipality in northern Ontario. Northern Ontario receives extra grants on a percentage basis. Northern Ontario, because of its particular problems, does receive extra grants. It does not show up in the police grant but in the northern resource grant, which compensates for the problem that northern Ontario has. Whereas the grants to the province as a whole are up 10.5 per cent, the grants to northern Ontario are up 14.6 per cent.

The member for Windsor-Walkerville (Mr. Newman) and the member for Windsor-Sandwich (Mr. Wrye) claim that Windsor over the years was not getting its fair share of grants and so on. But over the years Windsor got the amount that was thrown up by the resource equalization grants, and that is where they feel that they got the short end.

As members know, we have changed some of the basis and some of the formula; and whereas this year, as I say, the average is up 10.5 per cent, the grant to Windsor is up \$2.1 million or 16.7 per cent. So Windsor is in a catch-up situation.

Mr. Wrye: Forty million dollars later.

Mr. Rotenberg: Maybe it is a little later, but they are getting considerably more than the average. Windsor this year certainly is doing well, because it is getting in excess of 50 per cent more increase than the average.

The member for Huron-Middlesex (Mr. Riddell) said the rural municipalities are getting the short end. I would point out that the general per capita grants, which last year ranged from \$7 per capita to all those municipalities of less than 5,000 population to \$10 per capita for the regional governments, have all gone up to \$11. So Metropolitan Toronto, etc., got a \$1-on-\$10 increase, or a 10 per cent increase in its per capita grant. The smaller municipalities in the member's riding, and throughout the province, went from \$7 to \$11, for a 57 per cent increase in their per capita grant.

I would point to some of the municipalities in Huron-Middlesex: the town of Clinton, for example, whose total unconditional grants are up 17 per cent this year; Bayfield village, up 18.5 per cent; Goderich township, up 11.7 per cent; and Grey township, up 15.5 per cent. The grants this year to Adelaide township, which I believe is in the member's riding, are going up 37.4 per cent.

Mr. Wrye: Lucky township.

Mr. Rotenberg: Yes, lucky township. I suggest that the rural townships, the rural ridings, are doing reasonably well this year in grants.

Mr. Riddell: What about Exeter?

Mr. Rotenberg: Exeter is a very peculiar situation. Part of the grants are based on need, which is the way it should be. Exeter's budget this year went up the grand total of two per cent; that is, the total amount they need is two per cent more than last year. So Exeter is getting only a 4.9 per cent increase in its grants, because they have not demonstrated a need for more. Maybe it is because of good budgeting, good management or good luck.

8:10 p.m.

Mr. Wildman: So you are penalizing good management.

Mr. Wrye: That's because they do not understand good management.

Mr. Rotenberg: No. Their budget is up two per cent, and we are increasing their grants almost five per cent.

I stress the fact that although some members have suggested the regions are doing better on the police grant, and we have not equalized that this year, there may be a time in the future—and

I stress the word "may"—when there will be a different way of calculating all the unconditional grants, certainly the per capita grants.

In the per capita grants we have standardized everybody at \$11 so that the very small municipalities, those up to 5,000 of population, have gone from \$7 to \$11; those around 25,000 have gone from \$8 to \$11; and the big municipalities have gone from \$10 to \$11. So in that situation I think we have done well by the smaller municipalities in this province.

I end where I began. Of course, every municipality in this province wants more, and we would be delighted if things were so much better and the economy were growing and we could give them more. But in the present situation we are giving them a reasonable amount in these grants. We would like to have this bill passed so we can send out the cheques. Therefore, I ask that Bill 28 be given second reading so we can get on with the job.

Mr. Speaker: All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Mr. Speaker: Shall the bill be ordered for third reading?

Mr. Nixon: I would like it to go to standing committee, Mr. Speaker.

Mr. Speaker: Which committee?

An hon. member: Any one you want.

Mr. Speaker: That is not for me to say, with all respect.

An hon. member: A standing committee?

Mr. Speaker: Standing committee, yes.

Interjection.

Mr. Speaker: Now just a minute. We do not know which one.

Mr. Wildman: General government.

Mr. Nixon: Wherever there is room.

Hon. Mr. Gregory: We determine that at the House leaders' meeting, Mr. Speaker, do we not?

Mr. Speaker: All right. It is up to you, apparently. It is not for the House leaders to say.

Hon. Mr. Gregory: Mr. Speaker, I believe that with proper consultation one of the committees will be named.

Mr. Speaker: I am advised that is out of order.

Mr. Breaugh: On a point of order, Mr. Speaker: Is it not correct that the member who

rose and caused the bill to go to committee is the member who would designate which committee and that he should do it now?

Mr. Speaker: No.

Hon. Miss Stephenson: That's not so.

Mr. Nixon: On the point of order, Mr. Speaker: Might I suggest that the acting government House leader could recommend that it go to the standing committee on general government and that if it turns out that committee is overloaded we could have a motion in a few days to change that designation.

Hon. Mr. Gregory: Mr. Speaker, I am happy to go along with that recommendation.

Mr. Speaker: Thank you.

Ordered for standing committee on general government.

House in committee of the whole.

DISTRICT MUNICIPALITY OF MUSKOKA AMENDMENT ACT

Consideration of Bill 9, An Act to amend the District Municipality of Muskoka Act.

Sections 1 and 2 agreed to.

On section 3:

The Deputy Chairman: Mr. Epp moves that section 6 of the act, as set out in section 3 of the bill, be amended by striking out "23 members composed of a chairman and" in the second and third lines thereof.

Mr. Epp: Mr. Chairman, as I pointed out last night, in Muskoka and the other regional municipalities as well as in Metropolitan Toronto, the chairman is chosen from among the members elected to the metropolitan, regional or district councils.

Although the chairman might not be elected at large—it would be cumbersome, expensive and difficult to elect him on that basis—we on this side of the House feel strongly that he should have his seat on a local basis. Therefore, we put forward this amendment, which we think is a practical and important amendment, whereby the chairman would be elected on a ward or municipal basis.

For instance, we can suggest the example of the Premier (Mr. Davis), who, as head of the executive council, first minister of the province and so forth, still has a seat as for which he is responsible. He represents Brampton riding and has the responsibilities that go along with that position.

We feel the chairman of a municipality, be it a district or whatever, also should have a seat

where he is elected locally. Therefore, we are putting forward this amendment whereby the chairman would have an opportunity to represent a local constituency. In a sense it would strengthen his position, because people would not feel he is somewhat impotent by not having been elected on a local basis.

You know what happens, Mr. Chairman. The first chairmen of regions and districts who took office were appointed by the provincial government and some of them never held elected office. Currently, many of them turn out to be people who hold an elected position, and they may have been re-elected on a number of occasions; but when they are named as chairmen of districts or regions they stop running for office among the people. We feel they should continue to hold a seat on a local basis, and that is why we are putting forward this amendment.

Mr. Breagh: Mr. Chairman, I personally would be an advocate that people who are in a position of this authority ought to be clearly and directly elected to that position. In several of our areas we now have as a fallback position the concept that at the very least somebody ought to be elected to something, somewhere in that area.

Most notably and commonly, and as put forward in this amendment, a person at least ought to be a member of a council in some form prior to being chosen as probably the most important local politician. I have no difficulty in saying that the caucus of the New Democratic Party would be supportive of the amendment as now proposed.

Mr. Bradley: Mr. Chairman, I speak in agreement with the motion put forward by my friend the member for Waterloo North (Mr. Epp). It appears that in Muskoka we have a situation where we have regional government by the back door. It is called district government in this case, but it has all the characteristics of regional government.

A referendum or a plebiscite—I cannot recall which—was held a few years ago in Muskoka where the people overwhelmingly rejected regional government, but they have regional government. Since they do have it—district government or regional government, call it what one will—the suggestion is that the person who would hold office as head of this large municipality would be an elected person.

I understand what my colleague is suggesting is not that this person should be elected region-wide as a district chairman but that he or she be a person elected by some people in a ward or a

portion of that municipality. I think there is a lot of sense in that motion. If elected, a person then has the confidence of at least a certain portion of a municipality. I think this would be a good principle to extend to other municipalities.

At present, as you are aware, Mr. Chairman, there are municipalities around this province where that is not the case, where the person who holds that office has never been, at least by virtue of holding that office, an elected person. Therefore, he has not had the kind of accountability that many of us have had as elected individuals at the municipal level.

I think the suggestion put forward in the form of an amendment by the member for Waterloo North makes, as they say in the labour union movement, eminent good sense and therefore should receive the support of all members of this House.

8:20 p.m.

Mr. Cassidy: Mr. Chairman, when you get down to it, the reason the government has consistently refused this amendment when it has been put forward many times in the past, both by the New Democrats and by the Liberals from time to time, has been the fact that the Conservatives have found from experience that this undemocratic practice of having regional and district chairmen appointed and not required to pass the test of election at any time helps them.

When it comes down to a choice between democratic representation and ensuring the people who do the public's business are elected on the one hand, and political advantage for the Conservatives and their friends at the local level on the other hand, it is clear that expediency wins out over democracy. If the government resists this amendment tonight, it will be yet another example of Conservative expediency winning out over democracy.

Mr. Roy: Mr. Chairman, as is my habit in this assembly, I am always very cautious in getting on my feet. As is my practice, I ponder each word very delicately. But on this amendment the members will understand that it is not difficult to make a very quick decision, because the amendment as proposed by my colleague is so sensible. I am sure that if all members were left to make their own personal decision, they would support this amendment.

I even hazard to think that if the Minister of Education (Miss Stephenson) were freed from—

Mr. Nixon: The whip.

Mr. Roy: If she were freed from the whip, who is reviewing and keeping an eye on the activities of all members of this assembly in a very strict fashion, if she were relieved from this bondage—

Mr. Bradley: How can you use the terms "whip" and "bondage" at the same time?

Hon. Miss Stephenson: He's into S and M. That's the problem.

Mr. Cassidy: Is that Stephenson and Miller?

Mr. Roy:—she would feel that this amendment would—

The Deputy Chairman: Very delicately chosen words.

Mr. Roy: Yes. Thank you, Mr. Chairman.

I want to ask all members present, even all members in the gallery here: Does it not make eminent good sense when one is establishing, as my colleague has just said, a regional government by the back door—he has been wanting to say that phrase all evening, and he has said it—that one wants to be sure the chairman is at least accountable to somebody, to a group of citizens within that area?

In 1982, and I am sure the Chairman will agree, it does not make sense that an individual should wield such power as chairman of this area without at some time being accountable to a group of the electorate.

The parliamentary assistant on this issue is extremely hard-headed, if I may use that expression. He is inflexible. For years now we have been saying to this parliamentary assistant that this makes good sense, but we cannot seem to get the message across. Like the member for Ottawa Centre (Mr. Cassidy), I cannot understand the explanation other than to think that the Conservatives somehow feel they have better control over the chairman if he is not elected by a group of the electorate; they have better control in the original designation when the government picks one of its own. But even after the original chairman has been replaced, they must still have that feeling.

That is the way it works. When I look at different regional governments, I get the impression that most regional chairmen somehow end up being Tories. I do not know why that is. Given that fact, I do not see why, with the government's acquiescence and with the lack of proper legislation, these people are avoiding going back to the people and being accountable to a selected group of people.

I plead with the parliamentary assistant, even if he has to—

Mr. R. F. Johnston: Don't humble yourself.

Mr. Roy: I am sorry. I get carried away on these bills.

Even if the parliamentary assistant somehow has to argue with his minister, to go contrary to ministerial discretion, he should say, "As parliamentary assistant, with my wide experience in municipal government, I feel the chairman should be elected, so accept my colleague's amendment." The parliamentary assistant should show some independence over there. He should show the stuff he is made of, show them he is earning that extra money. How much is the extra money, \$8,800?

Mr. Bradley: It is at least \$7,200, one third tax-free.

Mr. Roy: I say, show some independence; accept a reasonable amendment and show some leadership in Ontario. If I do not succeed in convincing him with this, I do not know what the heck else I can do.

Mr. McClellan: Mr. Chairman, my colleague the member for Oshawa (Mr. Breough) said—

Mr. Bradley: They are still speculating about you running for mayor.

Mr. R. F. Johnston: I am going to clear that up. I'll get on the list.

Mr. McClellan: There is no need to run for office if one is a regional chairman, which is the point of this debate. One does not have to run for office. One is not accountable to anybody, except to the Progressive Conservative Party of Ontario.

If the government is determined to oppose this amendment, why does it not just bring in its own amendment to make the position of regional chairman a position within the civil service of Ontario? The job could be posted outside in the lobby. The only qualification for it would be to have a little blue card of membership in the Progressive Conservative Party.

The only purpose in the government refusing year after year the thoroughly sensible and democratic proposal that a chairman of a regional municipality should be either a member of the elected council or, even better, directly elected by the people within the regional municipality, is that it wants to be able to anoint and appoint its own chosen faithful stewards to make sure the Conservative Party's interests are main-

tained, protected and kept well at the municipal level.

Hon. Mr. Gregory: It's a noble cause.

Mr. McClellan: It is true. The chief government whip says it is not true.

Hon. Miss Stephenson: That isn't what he said.

Mr. McClellan: I am sorry. I did not hear what he said.

Mr. Bradley: He is admitting his guilt.

Mr. McClellan: What did he say? Speak up.

Mr. R. F. Johnston: He is such a shy and retiring fellow.

Hon. Mr. Gregory: I said it was a noble cause.

Mr. McClellan: He said it was a noble cause. My goodness, I am shocked.
Interjections.

The Deputy Chairman: Order.

Mr. McClellan: That is really appalling, Mr. Chairman. Even you should be embarrassed; but, of course, I am not permitted to bring you into the debate.

The Deputy Chairman: No; but you do have the floor and we want to hear every word.

Mr. McClellan: It is absolutely shocking and disgraceful that in 1982 the provincial government continues to treat regional municipalities as though they are some kind of administrative apparatus of the Conservative government, as though they owe their lifeblood to the Tories here at Queen's Park, as though they are so stupid, immature, childish and juvenile that they are incapable of appointing their own administrative and political heads.

The regional chairman of any municipality is the most powerful elected official within the municipality. He or she controls the entire apparatus of the municipal regional civil servants. Yet this government refuses to allow even a shred of democracy to permeate this little closed circle, this little Tory club. Here in Metropolitan Toronto we have been saddled, since the days of our first czar, Big Daddy Gardiner, with one Conservative chairman after another who has entirely controlled the apparatus of the regional civil service, which job is solely to implement provincial policy at the municipal level.

It is unfair. It is undemocratic. It is a travesty of popular government and it defies me to understand how a government going into the last part of the 20th century can continue to

perpetuate this kind of paternalistic, authoritarian nonsense.

8:30 p.m.

This is a very moderate amendment. It does not call for direct election. It simply requires that the chairman be an elected member. How would we like it if our Premier was not required to have a seat in the assembly? Some of us would like it just fine, but not all of us.

Mr. Rotenberg: Your leader doesn't have to.

Mr. Nixon: He is not even a dentist.

Mr. McClellan: Not even a dentist.

Mr. Philip: He will have a lot more success than some of yours have had.

Mr. McClellan: Just to recapitulate, we would prefer direct election but we are prepared to support this watered-down compromise.

Hon. Mr. Gregory: On a point of order, Mr. Chairman: I wanted to mention something that had been discussed between the House leaders. Any divisions in committee on any of the next three bills will be stacked until 10:15.

Agreed.

Mr. Ruprecht: Mr. Chairman, I am going to contain my remarks to a very few statements. I want to ask when anyone in this chamber has ever heard the regional chairman be critical of this government? Has that been answered substantially? I think that is why we should be critical of these specific sections in the bill.

When we look around the Metropolitan area, we can see what has transpired. I think the whole question of democracy is at stake and that is why we should be in favour of elections, either direct or otherwise. Elections are essential to bring some democracy back into the system.

The essential point I wanted to raise was that criticism is very important and there ought to be some balance of power. There is balance in this chamber. In most governments there is balance. But when a regional chairman makes most decisions without checking with anyone, without having a responsible body looking over his shoulder, then I think that is a bit of a travesty.

Mr. R. F. Johnston: Mr. Chairman, I feel constrained to rise and speak—

Mr. Nixon: Tell us about the dentists.

Mr. R. F. Johnston: —not of the dentists but of the regional chairman. I am not clear as to the reason I am being asked by the member for Brant-Oxford-Norfolk (Mr. Nixon) to talk about

the dentists. Maybe he is aware of regional chairmen who are dentists.

Mr. Nixon: Are you not in charge of their lobby?

Mr. R. F. Johnston: Certainly not, no. Tonight I would like to speak in support of the rather watered-down version of what I would prefer—

Mr. Nixon: Namby-pamby.

Mr. R. F. Johnston: Namby-pamby is a good word.

Mr. Nixon: Wishy-washy.

Mr. R. F. Johnston: —or wishy-washy amendment that has been placed by the member for the Liberal Party.

Mr. Nixon: Which you are supporting.

Mr. R. F. Johnston: —which I will support wholeheartedly, as I do all amendments of that type. I want to make it very clear tonight that I was not running for regional chairman of Metro Toronto because that was not an elected position. Notes were passed between the Premier, the Minister of Intergovernmental Affairs (Mr. Wells) and myself and they assured me there was no chance of my being appointed to that august position that chairman Paul has held for the last number of eons. So I decided that was totally out of the question.

Mr. Nixon: I hear Sewell is going to be a Liberal candidate down in that riding.

Mr. McClellan: We hope so.

Mr. R. F. Johnston: Is that a provincial Liberal candidate or a federal Liberal candidate?

Mr. Nixon: Whatever comes first.

Mr. R. F. Johnston: I see.

Mr. Philip: You guys will take anybody, won't you?

The Deputy Chairman: The member for Scarborough West should have the full attention of all honourable members.

Mr. R. F. Johnston: He should have, but he has so much trouble maintaining it, Mr. Chairman.

I hope that in the response to the amendment by the parliamentary assistant we will have some explication of just why one of the most fundamental principles upon which this House is based, upon which our whole system of government is based, is not to pertain to the position of the regional chairman of this particular district or, for that matter, of the area of Metropolitan Toronto.

Mr. Cassidy: The reason is Tory power.

Mr. R. F. Johnston: Why is it all right for us to have an elected Premier and to expect him not only to be elected among yourselves as the majority, regrettably, in this House but also to hold a seat, as all the other common mortals in this chamber do; yet in a regional municipality to which you have given some importance over the last number of years in your planning of municipal affairs in the province, you do not feel it is necessary for the head of that municipality to be elected either directly—which is what I would prefer and to which end, as you know, I have brought forward resolutions in this House pertaining to Metropolitan Toronto—or at least among his peers on the council?

It seems unthinkable to me that you would want to step back from this principle unless you felt there was an overriding principle, which is that democratic rule should not apply at the municipal level, that the municipal level should be fundamentally only an administrative wing of the provincial level. If that is the case, that surely puts the lie to the whole question of decentralization that the Minister of Community and Social Services (Mr. Drea) and the heads of other wings of government speak about. Why bother decentralizing if these bodies are not going to have real power and if you just want them to be an administrative wing that you can manipulate from the provincial end of things, for political reasons?

If municipal politics are important, and as a past municipal politician the parliamentary assistant believes they are important, then surely one should expect that those and all other positions would be elected, especially the most important ones. Yet in all regional municipalities across this province there is no provision for the direct election of municipal chairmen or even for the watered-down version, which I am supporting tonight, of being elected by the council. Why is that? What principles do you think come first? Is it Tory power at the provincial end of things and the real, centralized control of all aspects of the affairs of the province in all municipalities that is paramount in your view? Or is it the principle that local electors who are electing their councils should have the right to have some say in the election of the chief administrator of their region that should take paramountcy?

If you are to vote against this motion as it has been brought forward, if it was not just an oversight that you did not put it into this bill, if it did not somehow just slip your mind, as I presume it must have, then I would really like a

very full explanation of why the people of this regional municipality should not have the right to elect their regional chairmen.

Why is it that you do not feel they are mature enough politically? Why you feel it is important for you at this level to control the affairs of the municipal level in such a way that you will not allow them to have a say? If they are capable of having a say in the election of the Premier of the province and the members of this House, surely they are capable as well of deciding who should be their regional chairman and of having some kind of accountability.

Surely it is one of the fundamentally regrettable and regressive things about municipal governments at the moment that the regional chairman is not accountable to the electorate, that with all the power that somebody like a Paul Godfrey, or—dare I say it—a Phil Givens might have—

Mr. Rotenberg: He never ran for the job.

8:40 p.m.

Mr. R. F. Johnston: It was suggested by the member for Oshawa (Mr. Breaugh) that he might have been appointed to that august position if that had been necessary in order to secure the seat for other people at the provincial level. Was that not what came up?

Mr. Breaugh: That was a rumour.

Mr. R. F. Johnston: That was just a rumour. I am sorry, I did not mean to suggest it was true. This is not a rebirth of the—

Hon. Miss Stephenson: The world's biggest gossip.

Mr. Samis: He is on top of things.

Mr. R. F. Johnston: That's right.

What kind of accountability is expected from people at the municipal level? Should they not be accountable for decisions made? Should they not have to take those decisions back to the people for their reaffirmation or condemnation in an election as we have to? We lay ourselves and our political lives on the line on a regular basis. Why should they not have to answer for their decisions or elaborate on their positions when elections come up? I would remind the parliamentary assistant this is not just every two years, but every three years now. Why is this most important position not covered?

I and the members of my caucus support the amendment that has been put forward. We expect to see members on the other side rise from their seats en masse to join us in this request, in support of this great principle of

democracy in which we all believe. That is why we are here today. In fact, I have noticed the Chairman is having difficulty constraining himself to sit in the chair and not leave it so he can speak to this issue as it affects the region of Durham. As the sense of this and the rationality of this strikes all of us in the House, I hope the Provincial Secretary for Social Development (Mrs. Birch) will leap from her chair in a ladylike fashion to join in this debate and throw her support behind this rather wishy-washy, mealy-mouthed amendment and say this principle of democracy is one we all support.

Although I feel as though I could go on forever—and my colleagues are afraid I will—at this point I will sit down, convinced, as I see the beatific smile creeping across the face of the parliamentary assistant, that the point has been made.

The member for Brantford (Mr. Gillies) is about to join in the fray and this will probably cap the arguments that have been made to this point. The wonderful speech by the member for Ottawa East (Mr. Roy) uplifted me and will obviously have the same effect on all members. Unanimous assent, as we had last night, will be given to this amendment and this new principle of actual democracy at the local level will be accepted by the government.

Mr. Chairman: We are dealing with Bill 9, An Act to amend the District Municipality of Muskoka Act. Just to refresh my memory and everyone else's, and for the benefit of the guests in the gallery, we are discussing section 3 and the proposed amendment by the member for Waterloo North. I now recognize the member for Erie.

Mr. Haggerty: I want to support my colleague, the member for Waterloo North, on his amendment to have the chairman of the district council elected from among its members. It has always been a good practice in past local governments. Government reform goes back as far as 1837 and lead to the Baldwin Act of 1849. There was great movement in local government reform.

I cannot understand why the parliamentary assistant would not accept the amendment. I know the difficulties my colleague the member for Welland-Thorold (Mr. Swart) had in being elected chairman in the county of Welland. I believe he was finally elected—in 1962 was it?

Mr. Swart: In 1961.

Mr. Haggerty: He was an excellent chairman of the county council. I suggest that no harm

came to the county of Welland through the capable leadership of the member for Welland-Thorold.

I think of the Regional Municipality of Niagara Act that was introduced in the Legislature in 1968. One of the comments from this Liberal Party then was that the chairman should be elected from amongst the members elected at the local level of municipal government.

If the government had picked up that suggestion or amendment at that particular time, perhaps there would not have been the difficulty over the past number of years in that municipalities will not accept regional government. If the chairman was elected from among its members, it would be more acceptable to all the local municipalities.

I believe there is one regional municipality—would it be Haldimand-Norfolk—

Mr. Nixon: What about it?

Mr. Haggerty: Is not their chairman now being elected from amongst the members of council?

Mr. Nixon: Yes.

Mr. Haggerty: That is right. So one could change that, in municipalities, from chairmen appointed by the government to chairmen elected from among the members of local government. I am sure that—

Mr. Nixon: A very fine chairman they have, too.

Mr. Haggerty: That is right. The right move for the government was to say they were wrong and that they would come forward with some reasonable approach to regional government or reorganization of a county form of government. I am sure there are a number of areas that would readily have a county form of government reorganization where the chairman is chosen by the elected officials of that council.

It is a reasonable amendment. It should be accepted. It would be a great step forward in letting local autonomy have the say in administration of local government and regional organized counties and county governments. This is a district, and a district to me is no different than a county council. It is group of municipalities that are working together to provide better roads, a better system of government, providing the areas of services that are required for a hamlet, village, township or town to expand certain services. Sometimes it can only be done through some form of regional government or county government so that boundaries seem to be deleted from the views of local members.

I support the amendment put forward; it is time the government members started looking at some good changes in local government and this is one way to go about it.

Mr. Swart: I had not intended to speak on this amendment, Mr. Chairman, but I became aware of the fact that it may be a similar situation to this that is preventing the people of Metropolitan Toronto from having the best Metro chairman that they have ever had or could have because the member for Scarborough West (Mr. R. F. Johnston) told me that he would not accept that position unless he was elected to it by the people of Metropolitan Toronto.

I thought I should get up and add my support to the amendment which we have before us. At least—

Mr. Nixon: Whose seat is Bob Rae going to get? He doesn't want to drive in from Oshawa, does he?

Mr. Swart: I am being interrupted by the member for Brant-Oxford-Norfolk (Mr. Nixon). I wonder if you would call him to order, Mr. Chairman.

It seems to me we could establish a principle on this bill that could carry through to the other bills. We have been trying to do this for many months and many years in this House. Our party moved an amendment, as long as five years ago, to have the regional chairman either elected from the sitting members of council or elected from the region as a whole, but we have not been successful yet on this. It is partly because when we did move the amendment, the party on the right, and it probably regrets it now, did not support us at the time. When we could have got it through, they did not support us and the member for Erie (Mr. Haggerty) will remember when we moved it.

Mr. Philip: It is a little like rent review, is it not?

Mr. Swart: Yes. So we could have had this in some of these locations now, but we still do not have it.

Interjections.

8:50 p.m.

Mr. Swart: Perhaps you would call some of the members in my party to order too, Mr. Chairman.

Having a regional chairman who is not elected is really the most unforgivable of all circumstances that you can have.

Mr. Bradley: Tell them about Niagara.

Mr. Swart: I am going to in just a minute, yes.

Mr. Breaugh: No coaching.

Mr. Swart: It is really the most unforgivable of circumstances for any of the offices that you can have. First of all, theoretically at least, there is no political party. In many areas in Europe, for example in England, the head of a municipality can be a nonelected person, and frequently is. But there they run on a political party basis, so that person is accountable back to the political party. The mayors of our municipalities here are not accountable to any political party, but they are elected by the public.

So generally, in the democracies, all of the people who are heads of municipalities, with the exception of regional chairmen here, are very fundamentally accountable to a very large segment of the community. But here you have regional chairmen who are accountable to nobody except their own regional council, and in some instances not even accountable to them.

I prefer a system where all people in public office are elected by the public. That is really the only satisfactory solution.

The member for Erie mentioned that I was on county council for a great many years, but unable to become warden of the county. Do you know why that was? Because when I was elected a member of county council—I know members would want to know this—it had a Liberal caucus and a Conservative caucus. The member will recall this.

Mr. Chairman: Stick to municipal government.

Mr. Swart: The warden moved year by year from the Liberal caucus to the Conservative caucus. It is very unfair in many ways. Sometimes there would be only seven members—

Mr. Cooke: How could you tell the difference?

Mr. Swart: They worked out a nice agreement. So it worked out fine.

But then, lo and behold, a Co-operative Commonwealth Federation member got elected to that county council, and to his credit he refused to join either the Liberal or the Conservative caucus. So he was kept on the outside for 10 or 15 years, whatever it was. But eventually he did become warden of that county. That demonstrates, I think, the irrationality of having heads of important municipal bodies not accountable to the public and only accountable to the other members of council.

There are all kinds of factors that enter into the selection that have nothing to do with the person's ability to fill the job. I recall all the log-rolling—and my friend from Erie will remem-

ber all of this—that took place. If you wanted to be warden of the county you had to promise a road in this particular area or support somebody else for the road committee. It is just a despicable type of operation—

Mr. Breaugh: Sounds like a provincial election.

Mr. Swart: Yes; it is mostly the same people doing these things, and in many ways carrying on in that outdated manner and with the same outdated views they had back in those days. There, like here, the New Democratic Party has managed to push them a little bit in a progressive manner.

It is very important that we have these people elected. These people lose their accountability to the public. I am sure the member for Erie knows, and the member for St. Catharines (Mr. Bradley) too, that when the Niagara region was formed the regional chairman was appointed by the Conservative government of Ontario and was a loyal Conservative. Although he had been an elected member of council he came to this appointed position, and it was not too long until he had an unlisted phone.

The chairman of a municipality with 250,000 people decided once he is appointed he does not have to be bothered with that hassle of the public trying to get in touch with him all the time.

Mr. Nixon: Did he move to Niagara-on-the-Lake too?

Mr. Swart: He came from there in the first place. There are enough Conservatives in that area to keep on electing them whether it is to municipal council or to the provincial Legislature. But some day there will be a change towards a more progressive movement.

For these reasons it is important that this amendment be passed. I think it is a real discredit to our democratic process that people in such senior positions as the chairman of Metro Toronto or the chairmen of 11 other regional governments in this province, covering two thirds of the population, are not elected to that position and are not accountable to those people they are supposed to be serving.

Mr. R.F. Johnston: Andy Brandt believes in this amendment; Andy Brandt wishes to speak.

Mr. Swart: I would think the government across the way would let this amendment through. Before the parliamentary assistant was elected to this House, he felt that all people in these positions should be elected. I would think the government would in this one instance let this

amendment pass so that we would have at least one pilot project in Ontario. From that we could see if it just really does not work and if the people will not like it.

In all seriousness, if they pass legislation to permit the heads of regional councils to be elected they will never ever be able to change it back again. It will be like the public auto insurance in Manitoba, in Saskatchewan and in British Columbia. All the Liberals and the Tories fought against it but once the NDP governments put it in, all the Liberals and Tories do not dare throw it out. Even the crazy Social Crediters are afraid to throw it out because they know how popular it is. It will be so popular they will not be able to turn the clock back.

Let us make this one move. Let us pass this amendment here tonight. Let the parliamentary assistant call his whip off and with the numbers that we have here in the NDP and in the Liberal Party we will get it passed. In another year or two the government will be delighted this thing happened here tonight.

Mr. Brandt: It's a trap, David; don't do it.

Mr. Rotenberg: Mr. Chairman, we are dealing with the amendment to section 3. The amendments to sections 4 and 5 really are on the same subject. If the—

Mr. Di Santo: On a point of order, Mr. Chairman: I meant to speak on the amendment.

Mr. Chairman: That is all right. We are just going in rotation. The parliamentary assistant is not summing up. He is just having his say.

Mr. Rotenberg: We are in committee of the whole House and I am not the last speaker, as I would be on second reading. Certainly the member for Downsview and anyone else who wishes can speak afterwards.

Interjections.

Mr. Chairman: This is just to recap some of the remarks already made.

Mr. Rotenberg: Mr. Speaker, as I was saying, the amendments to sections 3, 4 and 5 all deal with the same basic problems so I hope we can really—

Mr. R. F. Johnston: Oh, it is a problem, is it?

Mr. McClellan: So you can see it is an issue.

Mr. Rotenberg:—deal with the same issue.

Mr. Chairman, I have listened very carefully to the remarks of many members opposite from both parties and they have made some very interesting points. I was almost persuaded but not quite. I would indicate at the outset that I

will not be supporting the amendment put forward by the member for Waterloo North.

Mr. Cassidy: Come on Andy, don't be a puppet. I'm listening.

Mr. Rotenberg: The member for Ottawa Centre (Mr. Cassidy) just has his knee-jerk reaction, yap-yap-yap-yap. I did not interrupt him. He asked a bunch of questions; he asked if I would justify my position. I wonder if he might, just for once, sit quietly and listen. He might learn something, although I doubt it.

Mr. Chairman: Would the member sit quietly for once?

9 p.m.

Mr. Rotenberg: As I said, we have a two-tier municipal system in Ontario, which pioneered the two-tier municipal system, certainly in North America. In my opinion it has been very successful and very much admired throughout the world. There is no question that municipal governments and national governments which control municipal governments come from all over the world to look at the system. This is particularly so in Metropolitan Toronto, and in other regional governments in Ontario which they regard as examples of how well a regional area can be governed.

It is a unique system. It is somewhat different from a unitary system, such as a parliamentary system or a municipal system, because it is a two-tier system and there have to be some differences in how a two-tier system operates.

Every member of a regional council really holds two jobs. He is a member of the regional council and he is a member of his local council. These two jobs are related and I think it is to the advantage of the two-tier system that the members of the regional council also sit on their local council; it gives them integration. If we remember the old Winnipeg metro system, where the members of the regional council were separate and distinct and did not serve on local council, it just did not work. It collapsed and, of course, was abandoned.

So each member of the regional council has two jobs. Really, what is being proposed is that the regional chairman have those two jobs plus a third job; as well as being a member of his local council and regional council he also would be the chairman of council.

Aside from all other considerations, which are many—and I will deal with them—it is really physically and mentally impossible for a person to have all the responsibilities of a chairman, plus all the responsibilities of a regional council

and of a local council. It certainly would be very difficult for a person to handle all those jobs.

It is the nature of a regional chairman that he is presiding over a unique type of council which has representatives from many municipal councils. A regional chairman should be somewhat impartial in presiding over the representatives of many municipalities. He should not be in the position of being parochial or of favouring one municipality over another.

Mr. Swart: Wasn't Big George the original chairman?

Interjections.

Mr. Rotenberg: Members opposite have a strange notion that somehow or other we on this side of the House have some control over who gets elected to be regional chairman, and I use the word "elected" advisedly. The regional chairmen are elected by the regional councillors. We as a government do not participate in that election.

Yes, we did appoint the original regional chairmen, and of those original regional chairmen I believe there are only two who are still chairmen of their regional municipalities. Different people have since been elected by the regional councils. So we do not at the present time, in any way, control who gets chosen as regional chairman. They are chosen by their own local councils, and they are accountable to their electorate, which is the members of council.

As probably the only member of this House who has run in an election for regional chairman, which I did some years ago, I can tell members that it is a tough election. The late Albert Campbell defeated me for regional chairman for Metropolitan Toronto in 1969. It is tough to face an election by one's peers; sometimes it is easier to be elected by the public. Because it is an election by one's peers, as regional chairman one is accountable to one's peers.

Mr. Jones: And one's peers, in turn, are elected.

Mr. Rotenberg: Of course; they are elected people as well.

The person who holds the seat of chairman has been compared to the Premier of this province. There is some similarity, but also some difference in that the Premier holds his seat in one Legislature only, not in two. But he is chosen. Our parliamentary system is in the British tradition that the public choose the legislators and the legislators choose the leader.

In this case this parliament, or a majority of it, chooses who the Premier shall be; and the regional councils choose their leader in the same way.

It is interesting that the member for Waterloo North, the former mayor of Waterloo, has brought this forward. His own regional council, in a letter signed by the chairman dated April 20, 1982, said to our minister: "Because of the Palmer review"—that is the review of the Waterloo regional council several years ago—"the council in this region was forced to consider a number of possible methods for the election of chairman, including election at large, retaining local council seat, requiring election to regional council each term, etc., and after lengthy discussions it was agreed the present legislation is by far the best available."

The following resolution was passed by Waterloo regional council in September 1980, "That where the regional chairman is a member of regional council he should not keep his seat on local council." That was the decision of the regional council of Waterloo.

The regional council of Muskoka, the one we are dealing with, has not in any way requested a change in the selection of its chairman and there has been no ground swell throughout the area, except from the opposition parties in one of the newspapers, to have the regional chairman selected in any different way. We do not have any series of resolutions coming from regional councils or local councils saying, "Hey, change the system."

Mr. Cassidy: Of course not; they are controlled by the regional chairman.

Mr. Rotenberg: Oh, come on; the regional chairman only has a vote in a tie-breaking situation and he certainly does not control them.

There are 12 regions where 12 original chairmen were appointed by this government. Of those 12, 11 were then sitting members of the regional council or one of the local councils.

Mr. Jones: Oh, they got elected.

Mr. Rotenberg: They had been elected to a council when they were first appointed. Of the 16 subsequent chairmen who were not appointed by this government, and who were elected by the regional council, each and every one of those 16 at the time of his election was an elected member of council.

The member for Welland-Thorold (Mr. Swart) said that if we ever went to the other system we would never change back. I would point out that

originally the system was that the person elected from council to be regional chairman did not have to resign his seat and could have held both jobs.

When I ran for Metro chairman I had the option, had I been elected, to retain my seat on the city of Toronto council.

Mr. Breaugh: You never had a serious option.

Mr. Rotenberg: If it was not a serious option then, it certainly is not a serious option now. The member who was elected had the option of retaining or not retaining his local seat. Every one of those who got elected under the previous legislation chose to resign his seat on local and regional council and not hold both jobs when he had the option. Partially because of that, the province changed the rules and regulations.

Some of the newer regions never had that option, but certainly Metropolitan Toronto and some of the older regions did. That option was available and was taken away.

Mr. Swart: On a point of order, Mr. Chairman: I think the parliamentary assistant is inadvertently misleading the House because all of the regional chairmen were originally appointed by the government.

Mr. Chairman: I am sure he would not do that.

Mr. Rotenberg: Mr. Chairman, I certainly in no way said anything different. I said those who were subsequently elected by their councils—not the originals but those who were subsequently elected by their councils, such as Bill Allen was in Metropolitan Toronto, and as Albert Campbell and others were after him—were then elected members of the regional council and had the option to retain their local seats and did not. The point of the member for Welland-Thorold is not well taken.

As in this Parliament where we choose our leader—yes, who is elected to a seat—the regional council also chooses its leader. To say that we are not supporting this or are politically motivated because somehow we control the election of chairmen is sheer and utter nonsense.

Mr. Breaugh: What?

Mr. Rotenberg: It is just sheer and utter nonsense. If that is the best argument the opposition has, it is not true to the theme of its normal arguments.

Someone on that side of the House asked, "How often do the regional chairmen criticize this government?" I would suggest it is not more than once a day. The regional chairmen are

always after us, are always criticizing us and asking for different things from us.

I would suggest that although this is for the region of Muskoka, the region of Muskoka has not asked for it. It is happy with the system. The system will work well and it is working well for the regions of this province, where the chairman is able to devote his full time and energy to the job of regional chairman and does not have to be parochial by having to be a member of a local council as well.

The system is working well and I think we should keep it. Therefore, despite all the wonderfully persuasive arguments of the members opposite who very sincerely, I know, hold those views, I must say I will not support the amendment.

9:10 p.m.

Mr. Di Santo: Mr. Chairman, I was going to support the amendment introduced by the member for Waterloo North in principle only, but after listening to the parliamentary assistant I must say I am more convinced than ever that the amendment is not only valid but should be supported.

We listened carefully to the points made by the member for Wilson Heights (Mr. Rotenberg). He started by saying that because we are discussing the question of the chairman of the district council being an elected member of the council that it is a problem. Then we realize that we are faced with a valid question. If it is a problem, that means that it is not a straightforward situation that can be dismissed lightheartedly.

In fact, it is a problem because the present system where the chairman is appointed does not allow us to have a fully democratic system where the person who is elected is accountable. I think that is what is missed and what the member for Wilson Heights does not understand. He says that if a chairman is also elected then that chairman is parochial. I think the parliamentary assistant should try to review his ideas.

To be parochial is not a result of the fact that one is elected in one constituency. In that case, the member for Wilson Heights is parochial because he is elected in Wilson Heights, or the member for Brampton (Mr. Davis) is parochial because he is elected in Brampton.

I remember when we were at a state dinner with the President of France I had the vivid sensation that the Premier was addressing a Brampton service club. It was just unbelievable. All the Tory hacks were there, such as the

chairman of Metropolitan Toronto, Dolan and the chief of the Ontario Provincial Police.

While the President of France made a speech on what they were doing in France and on the relationship between Canada and France, two different countries, and the common goals we have, the Premier addressed his constituency. If one is elected in a given constituency that does not necessarily make one parochial. It is the fact that one has a certain culture, a certain understanding of the reality, a certain vision of the society which makes one parochial. I understand that because of his being in his caucus and dealing with his colleagues, of course, he feels every day that parochialism is at work, but that is not a consequence of being elected in a constituency.

On the contrary, if the chairman of the district council is elected, then it makes him more—

Hon. G. W. Taylor: Mr. Chairman, on a point of order: I was sitting here listening and thought the member was misleading the House in the long list of individuals he described as Tory hacks. Included in that was the commissioner of the Ontario Provincial Police. Of course, I would totally not accept that comment about the commissioner of the Ontario Provincial Police.

Mr. Di Santo: Mr. Chairman, that—

The Deputy Chairman: It shows that someone was listening.

Mr. Di Santo: That is a legitimate point of view, but if the Solicitor General reads Hansard, I said that all the Tory hacks were there, and the chief of police—in addition, even though we know the chief of police is not appointed by the Liberal opposition or by the NDP opposition.

Going back to the amendment, which is a very important amendment from my point of view, I agree wholeheartedly with the member for Waterloo North.

The Deputy Chairman: I can't hear the member for Downsview with all the conversations going on. I would ask the members to pay more attention to his presentation.

Mr. Di Santo: We agree that accountability is fundamental. The member for Wilson Heights, in referring to us on the other side of the House, said "someone over there." That is a result of the arrogance of power when accountability is ignored. When government members know they have the numbers to vote down any motion the opposition introduces, then they can refer to

us as "someone over there." Hansard will show that.

Mr. Rotenberg: On a point of order, Mr. Chairman: When I referred to "someone over there," it was simply because I had not written down in my notes the name of the person who had made the remark. I was in no way trying to be derogatory to the members. I respect the opinions of every member across the aisle. I simply did not have the member's name written down. That is why I said "someone over there." I was not trying to be insulting to anyone.

Mr. Di Santo: I accept what the member for Wilson Heights has said. It is true that if he had more humility he would have tried to understand better which member of the opposition the remarks came from and would have addressed the New Democrat member by name or by constituency as is the tradition of this House.

Mr. Jones: We are sensitive to being called arrogant, because we are basically humble.

Mr. Philip: I don't know what your objection is.

Mr. Di Santo: This is an important amendment. It is rather difficult for me to talk through all these conversations. I would appreciate—

The Deputy Chairman: You do have the floor and I have asked the members to give you their attention. I will ask it again. The member for Downsview does have the floor.

Mr. Di Santo: The member for Wilson Heights inadvertently told us that the 12 regional chairmen were appointed by the government. That defeats the whole argument that he was trying to labour. He was not quite successful, because he said, "At the outset, I will say we will not accept the amendment." If he had made a long, reasoning preamble, had given a rationale and explained to us why he is against the election of district chairmen, I could have also been convinced. But at the outset he said, "I will not accept it." He said, "We have a two-tier system and it is a superior system because it is a two-tier system."

I want to bring to your attention, Mr. Chairman, that there are many other jurisdictions in the world. The first that comes to my mind is quite abhorrent, but I want to mention it anyway. If one looks at the Soviets—

Mr. Rotenberg: You are a democrat.

Mr. Di Santo: That is exactly what I was going to say. The Soviets in Russia are not elected by the people. It is a two-tier system where all the people congregate and run their elections the same way the member for Wilson Heights ran

his election. The member said, "When I ran for chairman of Metropolitan Toronto; that was a very cosy campaign," I can almost visualize him contacting all the Tory members on the council, having tea parties with them or meeting them in restaurants and trying to convince them that they should vote for him instead of another Tory.

That is what happens in the Union of Soviet Socialist Republics. The soviets meet and then from the two-tier system emerges the chief; and, of course, that chief is not accountable to the people. Perhaps this is not the best comparison, but I said this because I want to convince the member for Wilson Heights that a two-tier system is not necessarily the best system.

9:20 p.m.

I can give the honourable member another example. In Switzerland, which is a country comparative in size to Ontario, not only do they have direct elections but they also have referenda on almost every imaginable issue. I do not think the member for Wilson Heights could convince me that democracy in Switzerland does not work because they do not have a two-tier system.

Mr. Chairman, I think this amendment really goes to the heart of what democracy is. For the government to refuse to accept it means exactly that they want to perpetuate a system they have created and which places them at the centre of a power structure they think will last forever. But as the member for Welland-Thorold said—

Mr. Kerr: Power, that's the secret word.

Mr. Di Santo: Power, yes. I want to congratulate the former Solicitor General. That is the real reason the parliamentary assistant does not accept this amendment. "Power" is the secret word, and the member for Wilson Heights must admit that he is quite peripheral to the real power structure.

Interjections.

Mr. Di Santo: No. That is too personal.

Not only that, but human events are so changeable that you never know what is going to happen. Look at our friends in Saskatchewan. Two months ago they were entrenched in power—

Mr. Kerr: Oh, you are mentioning Saskatchewan.

An hon. member: And Manitoba, George.

Mr. Di Santo: We are quite frank and honest. Look what happened to them. Two months ago they were entrenched in power; nobody thought

they could lose power, but they lost. Look what happened to—

Mr. Kerr: You forgot to have a poll.

An hon. member: No, they did not forget.

Mr. Kerr: They ignored the poll.

Interjections.

The Deputy Chairman: Order. The member for Downsview will continue.

Mr. Di Santo: Thank you very much, Mr. Chairman. I really appreciate your efforts.

I mentioned Saskatchewan, but, of course, I also could have mentioned Manitoba. I am bringing up these examples because I want to say that what happened elsewhere can happen even in Ontario. In 1975 members know what happened, and the next time that happens it will be the last time for you as a member of the governing party.

So all members should have an interest, regardless of the political parties we belong to, in creating a democratic system that is workable, viable and—I have to use the words of the Liberal Party—"a vibrant democracy."

The member for Oshawa reminds me that I made a very convincing argument. I hope I change the views of the members of the Conservative Party. I hope that, even belatedly, they will change their minds and accept the timely amendment which has so intelligently been introduced by the member for Waterloo North.

Mr. Cassidy: My colleagues have urged me not to speak, Mr. Chairman, but I just want to say this to the parliamentary assistant. He has two jobs: he is an MPP representing an area and he also does a job in the government. When he says that regional chairmen cannot hold down two jobs at a time, in a way he is saying they cannot walk and chew gum at the same time. He demeans the people who hold those jobs. The member for Mississauga South (Mr. Kennedy) has an insurance business on the side in addition to his responsibilities here.

The mayors of Ottawa, Toronto and North York all have many responsibilities within their municipalities, including sitting on the executive committee of the regional or metropolitan municipality in each particular case. They are able to carry out those varied and diverse responsibilities. Therefore I do not see how you can argue that a regional chairman somehow has to be set above or to one side, particularly when the democratic principle is very much at stake.

Surely the member knows enough about how Metropolitan Toronto and the other regions

work to realize that the creation of unelected chairmen has given those officers tremendous power. They use that power to manipulate those councils, and they dominate them in a way that is undemocratic. You have created a level of government that is unresponsive to ordinary citizens and in the end is extremely frustrating in any sense of belief in democracy.

If you want evidence, look at the proportion of people who vote in municipal elections in the major municipalities. Surely the cynicism reflected in the nonparticipation of citizens in municipal elections is partly owing to the system you have created, where the guy at the top never has to meet the electorate.

The Deputy Chairman: All those in favour of Mr. Epp's motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 3 agreed to.

On section 4:

The Deputy Chairman: Mr. Epp moves that the bill be amended by adding thereto the following section:

"4(1)(vii)(i) of the said act is amended by striking out "or any other person" in the fourth line;

"(2)(vii)(ii) of the said act is repealed;

"(3)(vii)(iii) of the said act is amended by inserting, after 'chairman' in the sixth line, 'from among the members of the district council.'"

Mr. Epp further moves that sections 4 to 14 of the bill as printed be renumbered accordingly.
9:30 p.m.

Mr. Epp: Mr. Chairman, I appreciate the opportunity of putting forth my second amendment. If you will permit me, I want to make a few short observations.

First, honourable members will appreciate the fact that this is substantially the same as an earlier amendment I moved which, unfortunately, did not receive the concurrence of this House. I might add that I was somewhat surprised. I thought it was a very reasonable amendment. I appreciate the support I received on that amendment from this side of the House—there must have been about 10 or 15 different members who spoke in support of that amendment—and I regret the fact that the government did not see fit to accept that amendment.

I want to make a further observation that on the government side of the House there was not a single member, outside the parliamentary

assistant, who spoke in opposition to my amendment or who spoke in support of the parliamentary assistant. I leave the thought with you, Mr. Chairman, that the whips have been hard at work with respect to trying to get the members on the government side of the House to support this amendment.

I challenge the parliamentary assistant to say unequivocally that everybody on the government side of the House is in support of his position and opposed to the position that we have taken on this side of the House for the position of an elected regional chairman. I am speaking basically of the principle now. The regional chairman in Muskoka, which is a region through the back door because it is known as a district, or in Waterloo or wherever, should be elected from a ward or from some larger area than the 15, 20 or 25 people.

Mr. Jones: You weren't listening. We all voted against it with the parliamentary assistant.

Mr. Epp: I know. I appreciate the comment from the member for Mississauga North.

The parliamentary assistant mentioned that the Premier (Mr. Davis) was chosen from amongst this august body, that 125 people here voted to make him Premier. I submit that he was chosen by the Conservative convention back in 1971, in case the parliamentary assistant does not remember that.

Mr. Rotenberg: I was there.

Mr. Epp: Having been selected by the convention of 1,500 to 2,000 people who used those Liberal-manned machines—I remember the convention was held up for a considerably long time before they got the results in—he then became the Premier of the province after Mr. Robarts, who was then Premier, decided to step down. That happened a week or two after the actual convention. The Premier was not chosen by this body at all; he was chosen by the Conservative convention.

The parliamentary assistant also mentioned that Mr. Gray, who is the chairman chosen by the elected members in Waterloo region, is very much in favour of the present selection. I imagine he is in favour of it. If it were changed, he would have had to run in the last election at a local level. Maybe the parliamentary assistant does not know, but everybody else knows, that he is a card-carrying, staunch Conservative. Nobody argues with his ability. I say that of a person who is a friend of mine and who I meet on a very pleasant basis from time to time. I saw

him again last Thursday at Waterloo's 125th anniversary. He is a card-carrying Conservative.

Mr. Bradley: Who is that?

Mr. Epp: Mr. James Gray. Everybody recognizes that. That he sends a letter in support of the government's position does not particularly surprise me, and should not surprise the members of this assembly.

The assembly has another opportunity to recoup its losses and support my amendment. I ask for the support not only of members of my own party and the New Democratic Party members here but also of members on the government side of the House.

The parliamentary assistant has an opportunity to write a new chapter in the annals of this great province by saying to his colleagues: "Look, go ahead and vote the way you like. I am going to vote the way my heart would like me to vote, and that is in favour of this amendment. It makes good sense. It certainly restores democracy to where it should be, and we cannot argue with having the chairman elected from the people of a particular area within a municipality."

Mr. Breagh: Mr. Chairman, I rise to express my party's support for the amendment. It seems to me a most reasonable way for us to proceed. We have had an opportunity, on a minor amendment proposed prior to this one, to initiate the discussion.

I am somewhat confused as to why the government persists in rejecting what would appear to me to be nothing more than a basic democratic notion that someone who would hold the position of chairman of a district, such as the one being discussed in this bill, at least should be an elected person. It strikes me that there is not much of an argument on the other side of the coin.

I want to point out to the honourable members that, in the course of the previous debate, a number of speakers on the opposition benches spoke about the matter of some form of democratic process prevailing. Many in my own party expressed, as I did, some reservations that this is perhaps not the purest form of democracy but that it is a reasoned compromise related to what would be the pure democratic ideal for someone who is the most important political person, either the head of a regional municipality or in this instance the head of a district that is a region by another name.

It is simply taking the position that the person who is kind of the chief representative of the people ought to be just that; the person ought to

represent some constituency within that district. By our definition, "some constituency" does not mean that he belongs to or has given reasonable political service to one of the political parties in Ontario. It is a relatively simple argument that the people who are going to run our municipalities ought to be elected people rather than appointed people.

As long as I have studied, looked at or been a participant in our parliamentary system, it has run counter to the ancient parliamentary system which had rotten boroughs in which certain prominent citizens were appointed to the parliament or to a council. In the Canadian experience, when one talks about a municipal, provincial or federal democratic process, we never really talked about that, save I suppose for the Canadian Senate, which is slightly different from any kind of democratic process.

There is not much of an argument in opposition to the concept of this amendment, which is simply that one ought to be elected if one is going to head up a municipal form of government.

Although I would not want to interrupt the conversation which the parliamentary assistant is having and I would not want to be so outrageous as to demand that the minister be present while we discuss the minister's legislation, I would like to point out that I did not hear a reasoned argument from anyone on the government side.

I am now going to beg them to participate in the process. If we on the opposition benches in some way have come to a wrong conclusion, the conclusion that if one is going to head up a municipal government one ought to be elected rather than appointed, and that democracy in its purest form functions in some other manner, I want to hear the arguments from the government side. So far I have heard the parliamentary assistant, and no other member on the government side, speak to the government's position.

9:40 p.m.

Again, I do not want to interrupt the parliamentary assistant in his valued conversations or any other members over there who are studying legislation in various publications not related to this bill, and I would not care to wake them up, but I wonder whether one other honourable member on the government side could put forward a reasonable argument to support the government's case.

Mr. McClellan: Terry Jones would, but he is not allowed to speak.

Mr. Breagh: Mr. Chairman, I believe there are some members opposite who have the ability to speak and who do have some experience on regional government. I would be prepared to yield the floor to hear another member of the government party put forward the position of the government which says that we should not have the person who would be the chairman of a district such as Muskoka elected in some form.

I await the opportunity to hear some member of the government party other than the parliamentary assistant, who did not really do a very convincing job on that matter.

Mr. Jones: I thought he did very well.

Mr. Breagh: I would like to hear the argument from the other side. I would yield to the member for Mississauga North (Mr. Jones) if he would care to put that argument. Would he care to do that? I would be pleased to yield the floor to the member.

Mr. Jones: With appreciation to the member—

The Deputy Chairman: Excuse me. Is this a point of privilege, a point of order or—

Mr. Jones: No. Rotation, sir.

Mr. Breagh: If I might just explain the process to you, Mr. Chairman, it is quite traditional—and I am sure you saw it when you were at Westminster—that honourable members who have the floor may from time to time yield the floor so that other honourable members may say a word or two in the debate.

The Deputy Chairman: That is fine.

Mr. Jones: Mr. Chairman, I will be brief, because the history in Peel, my region, is rather short and extremely successful. We had regional government come to Peel in the early 1970s and we had, as has been pointed out earlier in the debate, the appointment of a very able chairman. We had, as the parliamentary assistant described and as was the case of so many of the other 16 chairmen, an elected person who then took on the reins of regional government as chairman in the new area of Peel.

I can describe for the members our extensive growth in Peel. We have small communities, municipalities such as Streetsville, where I reside, Brampton, Caledon and Port Credit, as the member for Mississauga South (Mr. Kennedy) is well aware, combined with a two-tier level of government. That was launched very successfully under the able stewardship of a man by the name of Mr. Parsons, who was appointed as chairman of the region of Peel. That man had

been an elected person in that early stage before his appointment. He was subsequently elected by his peers, who in turn were elected officials. We had regional government going forward with all the challenges of the growth and the new communities being drawn together—

Mr. McClellan: Was he elected or appointed?

The Deputy Chairman: Order.

Mr. Jones: He was appointed, but he had been an elected person prior to being appointed in that first instance. He has since been elected by his peers in the regional council, which is drawn from the three respective municipalities. He was considered to have done an excellent job, I always recall.

As I visited our sister region of Halton, I heard described to me that regional government's success would be a matter of how determined were the members, be they elected or appointed, in making that process of government work.

There were, as the parliamentary assistant has described, those people who were subsequently elected. Since then another man, current chairman Frank Bean, was elected in turn by duly elected people from across Peel region.

We are finding that despite all the growth and challenges of that level of government, we are being well served in the county of Peel. The people of Mississauga North, Mississauga South, Brampton—all those municipalities—have again confirmed in their elections, when we have had the Liberal Party in particular point out that regional government would not work and that there was some lack of democracy, that that is not so. In fact, five members of this government who were involved in an initial appointment were re-elected through three elections.

I would have to say that the people indeed had a chance to express their confidence in that system of democracy that saw our present chairmen, under the present system, come to the chair and do the duties they so well serve. I thank the member for Oshawa for the opportunity to have the floor.

Mr. Chairman: I thank the member for Mississauga North. Do we have the member for Oshawa again? I just heard you on my speaker. You are back.

Mr. Breagh: Mr. Chairman, as I pointed out to the person who previously occupied your chair—and, as a further thought on the bill, I want to point out that both of you are elected to this House; however much any of us on this side

of the House might have regretted both elections, we do admit that you did get elected—

Mr. Chairman: I am going to distribute that Hansard out in Oshawa.

Mr. Breagh: —the technique we are using here this evening is one that is not often used in this House but one that some of us saw used at Westminster, including yourself, I am sure, sir. You noticed that on occasion honourable members yielded the floor to other members to allow them to participate briefly in the debate and then the original member had the opportunity to continue with the debate.

I found the brief intervention interesting, because it goes back to an argument often used that these people who are appointed to chair regions and districts are decent, honourable, good citizens all around. I grant that. I do not have any problem with that. In my instance, in the regional municipality of Durham, the first regional chairman was a gentleman by the name of Walter Beath. He was an excellent gentleman; there is no question about that. He was a fine man and a great Tory, which I think limits his qualification as to why he got the job. He did an excellent job.

I would not make an argument that any of these people are inefficient, horrendous or not doing a public service. I am simply saying it is not democratic. That is all I am asking for, simple democracy. I did not hear the honourable member make an argument about why the government was so strongly in support of an anti-democratic notion like an appointment. It strikes me that somewhere over there, lurking in the minds of some members, is that argument.

Once again, I want to tell any member on the government side who does not wish to discuss tonight the various personalities who might have been appointed from time to time, and whether they were good or bad or anything else, that I am anxious to hear from the members of the government party the rationale behind the government's position. Why is it afraid of democracy? Why does it have no argument to support its stand—that it must continue to appoint, anoint, put forward those people in the first instance.

Mr. Jones: We don't appoint any more.

Mr. Laughren: Oh, nonsense.

Mr. Jones: Not in Peel.

Mr. Chairman: Order, please. I must allow my neighbour and colleague the member for Oshawa to continue. Let it be said that I have been totally nonpartisan in this.

Mr. Breagh: I await the argument that says appointing people in the first instance is a sensible, rational thing to do. Second, to take what the member for Mississauga North said as a slight extrapolation of that, the case might be made in certain instances, and I think of the tradition of the British colonies where the first government of the colony was always appointed and subsequently, usually two or three centuries later, somebody got elected to head up that local government.

It is an old parliamentary tradition that in the first instance there has to be an appointment because there is no government there. That is really an extrapolation of what has been done with regions and districts around Ontario. After the municipal government is established, why is the government so hesitant to allow the person who heads up the district or region to be someone who has his own constituency? What is wrong with that?

9:50 p.m.

Mr. Jones: But he does. He has all those duly elected councillors.

Mr. Breagh: I would be prepared to yield the floor again and let the member for Mississauga North (Mr. Jones) speak.

Mr. Chairman: I think that is very noble of the member for Oshawa, now that the member for Mississauga North has volunteered to add a few more comments.

Mr. Jones: Mr. Chairman, I will be brief. I was only trying to convey to the member for Oshawa that the chairman, as in the Peel example we are now talking about, does indeed have that democratic base. The individuals who elect him are themselves elected by the people across the whole great region of Peel. They send in their choices, and in turn those men and women choose and are accountable for the regional chairman they choose.

Mr. Chairman: So there!

Mr. Breagh: I do appreciate that, and I recognize that, for example, the electoral college in the United States uses a technique that is akin to that. Political conventions in the Canadian experience also use something akin to that. But I want to go back to the original point that is in the amendment.

Why is it such a disturbing notion that people who would chair the district of Muskoka could have an elected position unto themselves, as each and every member in this Legislative Assembly has? Why is this a notion that the government not only gives us a reasoned argu-

ment about but also apparently rejects out of hand? Why is it not possible for us to have a discussion? So far, two members of the government party have put forward a position, and both have meticulously avoided answering that one question.

What does the government find so offensive in having somebody elected, let us say, directly as chairman of a region? Aside from all the practical arguments—for instance, that it is too far, even though they are the size of many of our constituencies and much smaller than many others, certainly much smaller than many of our federal constituencies, so that as a practical problem it seems to me that the problem has been licked—what is wrong with having the person who would fulfil this important job directly elected, not by the members of the council but by the citizens at large? Why can that not be tested and accomplished?

Mr. Kerr: Run in a ward.

Mr. Breagh: I search the government benches for someone who wants to respond to that.

An hon. member: Yield to the member for Burlington South (Mr. Kerr).

Mr. Breagh: The member for Burlington South appears to have a comment or two that he would like to offer, and I am prepared to yield the floor to him.

Mr. Kerr: Mr. Chairman, instead of electing them at large, which would be prohibitive from a cost point of view, have them run in a ward, just as the Premier (Mr. Davis) does in Brampton.

Mr. Boudria: That's exactly what the amendment said.

Mr. Chairman: Well, at 10 o'clock this evening we seem to be making some headway.

Mr. Jones: It's a thought for the future.

Mr. Chairman: That is one out of 70.

Mr. Breagh: Mr. Chairman, I find that to be a perfectly acceptable and rational position for the honourable member to take. As a matter of fact, I find it so rational and so acceptable that it strikes me that it is indeed in support of the amendment that is currently before the House and says precisely that.

Mr. Chairman: Do you want me to amend the amendment?

Mr. Breagh: The member for Waterloo North (Mr. Epp) has moved that the bill be amended by adding thereto the following section:

“4(1)(vii)(i) of the said act is amended by

striking out ‘or any other person’ in the fourth line thereof;

“(2)(vii)(ii) of the said act is repealed and the following substituted therefor:

“(ii) Where a member of a council of an area municipality becomes chairman he shall not be deemed to have resigned as a member of such council.”

He has further moved that sections 4 to 14 of the bill as printed be renumbered accordingly.

I am sure, Mr. Chairman, you see that what the member for Burlington South just proposed is in effect exactly what would happen under this amendment. If some citizen at large were elected to represent a ward, the people at large, the electorate, would have elected somebody. Then, of course, under the amendment we are currently discussing, this person may well become the regional chairman, but it is not necessary for him or her to resign his or her original elected position. This, of course, is precisely the amendment that has been offered by the member for Waterloo North and now is supported by the member for Burlington South.

That is precisely the discussion I wanted the members to get into. I think there is a calm, rational and reasoned approach for various government members to take which does approach this amendment or variations thereof.

Mr. Jones: May I ask a question?

Mr. Breagh: Yes, I would be prepared to yield to the member for Mississauga North.

Mr. Chairman: The member for Mississauga North; we are having quite a debate here.

Mr. Jones: On the proposal of somebody being elected from just a ward, would it not follow that person might come to the job as chairman with an extra special weight of parochialism of the much larger jurisdiction and constituency he serves? Is it not better, as we commented earlier, it be by the peers of those people elected from a diverse cross-section of the whole of the area, in this case the Muskoka region? They would then be more responsive to the whole of the constituency, rather than—with all due respect to the member for Burlington South—just the parochial interest from which they are drawn in one safe corner of Muskoka.

Mr. Chairman: The member for Downsview (Mr. Di Santo) has indicated he would like to interject something to the member for Oshawa. Would the member for Oshawa and the member for Downsview please discuss who has the floor in this matter.

Mr. Breagh: There is no question about that. I have the floor.

Mr. Jones: How parochial are you feeling?

Mr. Breagh: I will respond to the member's question, which I think is an extremely legitimate one. To make the case that I believe it is possible for human beings to do that, the member for Brampton (Mr. Davis) does serve in a capacity other than as a local member. Mr. Chairman, because I know you feel a little lonely sometimes, I might ask you. You are this evening serving in the capacity of chairman of the committee of the whole House and you also represent a constituency; unfortunately, the riding of Durham East.

Mr. Chairman: And do a fine job of both; I know you will admit that.

Mr. Breagh: I think in the case in point there is living proof sitting before the honourable members this evening—perhaps not quite so living but virtually living proof—that it can be done; perhaps not well but it can be done. An individual can represent a constituency and still chair the level of government which is there. Without stretching the point further—

Interjections.

Mr. Mancini: Mr. Chairman, on a point of order: I think this is unfair criticism of the Chairman.

Mr. Breagh: I apologize if I offended the member for Essex South (Mr. Mancini). It was my opinion it was fair criticism of the Chairman.

As to the point the member was making, he has sitting in front of him now an example of a person who is elected to represent, in our case, a constituency or a riding. In the case of the bill currently before the House, it would most likely be a ward or it might be the mayor of a municipality. I believe it can be done.

The member for Burlington South, for example, like a number of other members in this Legislative Assembly, conducts more than one role. He chairs the most august standing committee on procedural affairs, which up until a brief time ago was one of the outstanding examples of parliamentary democracy in the western world, without question.

Mr. Chairman: We are not alluding to exaggeration.

Mr. Breagh: I yield to the member for Burlington South who wants to speak on that.

Mr. Kerr: No; too humble.

Mr. Breagh: The point that was raised by the member for Mississauga North before this assem-

bly this evening and on several other occasions has been rather vividly illustrated. There is an opportunity. It can be done. In our case, members are elected to serve a constituency and, in the case of the bill before the House now for which we are discussing an amendment, it would be a ward, by a district councillor or the mayor of a municipality. It can be done.

10 p.m.

The people who serve in that capacity can also represent their constituents in another capacity if the two jobs are not in direct contradiction to one another. We do it in this assembly all the time. It seems to me that in our regional governments and in our district governments such as the district of Muskoka, it could also be done. If we can do it, certainly many other human beings can do it as well.

We have had a small amount of debate on this and I am asking this evening that the government members do something which is perhaps a little bit unusual but certainly is parliamentary. If it is not we will set a precedent for it. It is to provide some input as to the position which is being put by the government against electing people to hold this kind of position.

That is what we do in virtually all other levels of municipal government. Why can it not happen wherever the government feels it is necessary to put in place a regional form of government, which in this instance is referred to as a district form of municipal government? Why can we not have a reasoned and rational argument that discusses the pros and cons of direct election, of choosing people who have at least a constituency of their own whatever it might be? As the member for Mississauga North has pointed out, it is done now; in some quarters there is some form of actually having people elected by real citizens with a direct electorate connection, not by politicians.

Why can those people not chair the regions and the districts? I would be prepared to yield the floor to any member on the government side who wishes to speak to that. If not, I am sure there are members on this side of the House who wish to speak to the amendment, which has already been discussed in principle. We are now in second reading of the amendment.

Mr. Chairman: It is very noble of you to ask if any other person wants to participate in this debate. I see that the member for Prescott-Russell wishes to do so.

[Applause]

Mr. Boudria: Thank you very much, Mr. Chairman. I notice all the NDP members are applauding. That does not happen very often so I take special notice of that event.

I represent a part of the regional municipality of Ottawa-Carleton and the united counties of Prescott-Russell entirely. In the eastern part of my constituency, which is the united counties of Prescott-Russell, the warden of the united counties has a seat for the area of the united counties which he represents. He is one of the reeves or deputy reeves elected by his peers and therefore becomes the warden of the county.

I notice the parliamentary assistant is paying great attention to our discussion. There is so much noise we can hardly understand each other. Perhaps now that calm has returned to the Legislature, I can continue.

Those who are wardens in a county situation represent a given area and I feel that they do their job properly. For government members to tell us it is impossible to represent part of a municipal area and be chairman, is telling us that wardens of counties are unable to do their jobs the way their mandate is now set up. I do not feel that is correct. In all areas where we have county structures, I feel that setup works quite well.

The western part of my constituency is the regional municipality of Ottawa-Carleton. In that area the chief official is not the warden but the chairman. The chairman of a regional municipality in this situation has been discussed tonight, and the same holds in all areas, including Ottawa-Carleton. The chairman does not represent any given area. As a matter of fact, he has to resign from the area he represents in order to become chairman.

The member for Mississauga North has said that it would be very difficult for the chairman to fulfil his mandate without being partisan. I see in front of me the Minister of Education (Miss Stephenson). I would suggest to the member for Mississauga North that she does not build schools only in her riding; she certainly builds them all over the place. In fact, she is going to build a nice French school in Orleans, for which we are very grateful.

Hon. Miss Stephenson: That's nice for a change.

Mr. Boudria: Oh no. I am going to cross the floor, Madam Minister, and express to you how grateful I am for that school.

Hon. Miss Stephenson: Only temporarily.

Mr. Boudria: Very temporarily, yes. I did bow before I went across the floor. I want you to know that, Mr. Chairman. I had the full intention of returning to this side once I had paid—

Mr. Chairman: Let the record show that he had the full intention of returning to the other side.

Mr. Boudria: Thank you, Mr. Chairman.

I recognize that I do put the emphasis on the wrong syllable every now and then, and that tends to confuse what I am trying to say, but I hope you appreciate my position. I will continue to express myself in that way because even though my English is not all that great it is better than the French of most of the other honourable members. So I will continue with what I was saying.

I am very glad to see that the member for Burlington South supports the amendment by the member for Waterloo North. We really appreciate that. It will make for a very interesting vote later. I certainly hope the member for Burlington South succeeds in convincing the other members, possibly the member sitting right beside him, to whom he is talking right now. I suppose it has probably convinced him to vote in support of our amendment, and perhaps even the two members in front of him.

I notice now they seem to be reading the same newspaper as the member for Burlington South. I want the record to show that if they are all reading the same newspaper they are probably coming to a consensus; at least, one would assume that. They seem to share the same interests. Why else would they all read the Toronto Sun in the Legislature? I recognize, of course, that reading that newspaper is very important, and I would not want to take away from the importance of doing that and waste their time in discussing this legislation, which is, after all, what we were elected to do.

Mr. Chairman: Back to the amendment.

Mr. Boudria: I was just doing that. I was tying that in, Mr. Chairman, and I am sure you were just beginning to detect that was happening.

The very areas where we have these regional governments and where the chairman cannot represent a given area of that same region have, at the same time, school boards that operate in exactly the opposite way. In other words, the chairman of the Carleton Roman Catholic Separate School Board represents an area in the Ottawa-Carleton region. So there are two almost parallel systems of government in that area. It seems to be acceptable that one of them has a

chairman who represents a given area, yet, for some reason that I absolutely do not understand, the government is quite reluctant to give the same kind of mandate to the chairman of a regional municipality.

I suggest there is another side effect from all of this that you may forget: There are many qualified people on municipal council who perhaps never run for chairmanships of areas because they would have to resign their seats in order to become chairmen. If somebody were to tell the member for Mississauga North that, in order to become a cabinet minister for a short while—let us say the term accepted was only one or two years—he would have to resign his seat and then run again two years down the road in order to get another one, there would perhaps be a reluctance on his part to go for that type of setup, and he would question the logic of having this kind of system. If he does not want this kind of system for himself, why does he think it is good for anybody else? Can he follow the parallel I am trying to derive here?

Mr. Jones: No, I cannot.

Mr. Boudria: The honourable member does not understand the parallel situation here.

10:10 p.m.

Mr. Jones: It is like drawing a parallel with the Speaker, for example. He has a riding.

Mr. Boudria: We did discuss the example of the Speaker earlier. I am certainly not going to repeat everything the member for Oshawa said so eloquently. That is very true. You could go even further and talk of the executive council. There is nothing that precludes the Premier from representing an area and being Premier simultaneously.

I can see there may be some problems with electing a chairman throughout the whole of a district or region. Having to run in a very large area would almost be American in philosophy; something like the President, who runs in an area and serves a constituency that is so large. I do not think we would advocate that. Certainly there would be nothing wrong, as a matter of fact it would be a very good idea, to have somebody as chairman who is actually a representative of the people, duly elected by them.

In the regional municipality of Ottawa-Carleton, the original chairman was Mr. Dennis Coolican, a very capable person. He was chosen to become the chairman by the Lieutenant Governor in Council, at the inception of the regional municipality. He remained there for something like 10 years. For 10 years, the

regional municipality of Ottawa-Carleton never had a chairman who was really selected by the people in any way, shape or form. The original chairman was not even one of the municipal councillors. It was 10 years before a person was actually chosen by the people to become the chairman of that regional municipality.

The new chairman is Mr. Andrew Haydon, another very capable person. If he is not chosen chairman next fall, and by that time the municipal elections are over, he will be left without a seat to represent. I would suggest that Mr. Haydon took a very big gamble in not running again in order to become chairman of the regional municipality. It would have been a great loss for everyone in Ottawa-Carleton had he not succeeded in attaining the chairmanship of the region. It would have been very unfortunate.

Another very capable gentleman did the same thing. He resigned as mayor of the city of Vanier to run for the chairmanship against Mr. Haydon. Unfortunately, this gentleman, who was also very qualified, did not make it. That was Mr. Ben Grandmaitre; just by coincidence, he was our candidate in Carleton East in the last provincial election and ran against the honourable member I see in the back row.

Those were two very qualified gentlemen. Both had to resign their seats on municipal council in order to run against each other.

Mr. Rotenberg: He did not have to resign.

Mr. Boudria: Of course he had to. He could have run again. Technically, I guess the parliamentary assistant is correct. I would suggest when a person campaigns to become the regional chairman and, at the same time, campaigns for a municipal council seat, at one point people will begin to ask if he is in fact running to resign.

If a person was elected municipally and then at the first meeting of the regional council, which is usually a week after the election, was chosen the chairman of the region, he would be elected in one week and would resign the next. Anybody in that situation would be most uncomfortable being a candidate. The parliamentary assistant must surely recognize that with his long experience in municipal office. Amongst other things, that setup is illogical.

I am in full support of the amendment moved by my colleague, the member for Waterloo North, and in full support of the member for Burlington South.

Mr. Chairman: The member for Downsview.

Mr. Di Santo: Thank you, Mr. Speaker.

Mr. J. M. Johnson: Not again, we heard him once tonight.

Mr. R. F. Johnston: New information, hot off the press.

Mr. Chairman: What happened? Oh, the member for Wellington-Dufferin-Peel.

Mr. J. M. Johnson: I will be glad to get up and speak.

Mr. Chairman: Well, back to the member for Downsview.

Mr. Nixon: Remember "animo non astutia."

Mr. Di Santo: The member for Brant-Oxford-Norfolk (Mr. Nixon) reminds me that after 40 years in power the Tories have forgotten also what is inscribed in the chamber. In fact, it is right beside me—

Mr. Chairman: This is on the amendment I am sure.

Mr. Di Santo: It all comes down to this amendment. It means that one does things with strength but with rectitude. *Animo non astutia* means do that with heart not with smartness. What the Tories are trying to do tonight by not accepting this important amendment introduced by the member for Waterloo North is trying to be smart. They would like us to believe—

Mr. Chairman: I think the Minister of Education wants to know what you are talking about and so do I.

Mr. Di Santo: I am really shocked that the Minister of Education, being responsible for the educational system of the province, does not even understand such elementary Latin phrases that at one time were the basics of education throughout the western world.

Hon. Miss Stephenson: Since I studied Latin for five years, I have some vague knowledge and I don't understand what you are talking about.

Mr. Di Santo: Five years is a long time, but seven years in this chamber as the Minister of Education has led the minister to forget completely what she has learned in the schools of the province. Perhaps that is one reason why she cannot handle the problems of the education system in Ontario as she should.

I would like to go back to the amendment. As the member for Oshawa said, the previous amendment on which we had a lively debate was an important amendment, but this is central. The member for Mississauga North said before that the regional governments in Ontario, even though they have been short, have been successful.

I tried to figure out if, when he said short, he

had in mind himself, perhaps the member for Nickel Belt (Mr. Laughren) and the member for—

Mr. Samis: Downsview.

Mr. Di Santo: —Wellington-Dufferin-Peel (Mr. J. M. Johnson), and if the association between short and successful was hyphenated. I tried to figure out if it was a sort of logical conjunction that he brings with himself like my colleague the member for Nickel Belt and the member for Wellington-Dufferin-Peel, not to mention the member for St. Andrew-St. Patrick (Mr. Grossman), the Premier in waiting. We saw him today in operation flitting all over the place on the other side of the House.

What interests me is that the member for Mississauga North took a pragmatic approach, which is typical of the people sitting on the other side of the House. I can understand this. Ever since I was elected to this Legislature, I have never expected the members on the other side of the House to take a position of principle or because of an ideal, which is an outmoded word. It is not fashionable any more, especially for Tories, to talk about ideals. It is something in the past. They take a pragmatic approach and I fully understand that.

But by taking a pragmatic approach one can come to totally different conclusions. In fact, the member for Mississauga North wanted us to believe that, because of the statesmanship of Mr. Parsons, who was appointed the first regional chairman of Mississauga, it had the best possible regional government and the best chairman.

10:20 p.m.

Mr. Jones: Good judgement by the government.

Mr. Di Santo: He wanted us to believe that was only because he was appointed. I do not dispute whether he was a good chairman. Actually I do not know him and it is quite irrelevant to this debate. He probably was a good chairman. But if the member for Mississauga North thinks we should be convinced he was a good chairman only because he was appointed, then I think he is wrong.

Of course, the appointment of a chairman does not necessarily qualify that person. Mr. Chairman, you know very well the member for Oshawa mentioned the position you are holding in such a dignified and efficient way tonight and every time you sit in your chair.

Mr. Chairman: Let the record stand that all members in the chamber applauded that comment.

Mr. Di Santo: Mr. Chairman, if you have read *The Parliamentarian*, that very learned publication of the Commonwealth Parliamentary Association, you also know there has been a lengthy and very interesting debate on the question of whether the Speaker should be appointed, elected or made permanent. Of course we know that sometimes the Speaker is partisan, because by our nature we are partisan and we tend to take a part reflecting our own convictions.

But generally speaking we know the system works pretty well, and the Speaker who sits in that chair on most occasions is able not only to reflect the wishes of all the members but is able to conduct the business of this Legislature in a way that is acceptable to everybody. If the Speaker of this House, in that delicate position, is able to represent, in the present case the riding for Peterborough, in the previous case the riding for Lake Nipigon—and I have no doubt they do an excellent job in representing their constituents, but at the same time they represent all the members of the Legislature—I do not see why the chairman of a regional government, as in the amendment introduced by the member for Waterloo North, cannot perform the same duties with impartiality.

Impartiality is also an element introduced by both the member for Wilson Heights and the member for Mississauga North, even though somebody could object that a person who is elected does not necessarily have to be impartial. We can go back to the age of enlightenment in the 18th century, when the division of powers was worked out before the French revolution and before the American revolution.

Mr. Chairman: American revolution? Now come on.

Mr. Samis: There was one.

Mr. Di Santo: If the chairman must be impartial—and, if you read the *Hansard*, that was a concept introduced by the parliamentary assistant and by the member for Mississauga North—then I should like to object to that, because I do not think the chairman should be impartial. The chairman should be accountable. That is the key concept, not impartiality. In the French revolution when the division of powers was worked out, there was the legislative assembly, the executive and the judiciary. The judiciary was that part of the power that was supposed to be impartial, not the legislative assembly or the executive.

The chairman of a regional council, the chairman of a municipality, belongs to the

executive. He should not be partial; he should be accountable. That is what we are supporting. Accountability means that in a democratic system each person who is in a position of power—whether he is a member of a municipal council, a board of education, a provincial assembly or federal House—should be accountable to the people.

Interjection.

Mr. Di Santo: Mr. Chairman, the member for Scarborough West (Mr. R. F. Johnston) is asking a question. I would like to yield the floor to him.

Mr. Chairman: I am sorry. I have missed this whole routine here—just the last few minutes. Have you got a point of order?

Mr. R. F. Johnston: No. The floor was yielded to me because I had a question. I still have not quite understood what these principles have to do with the matter at hand. I wondered if he could come back—

Mr. Chairman: No. I was hoping that he would not.

Mr. Di Santo: Mr. Chairman, if you will allow me just briefly. I can understand that—

Mr. Chairman: Order. I would like to point out to the member for Downsview where the big hand is on the clock.

Mr. Di Santo: I will go back to the amendment because this amendment is important. We have commended the member for Waterloo North—and the member for Brant-Oxford-Norfolk agreed with us even though he made reference to the inscription—

Mr. Watson: He should come back to the motion.

Mr. Di Santo: I should say as an aside, for the members of the government caucus, that the question of the member for Scarborough West raises a more serious question—the necessity of a researcher for each member, a researcher with a background in languages other than English and French.

I reiterate the importance of the amendment and invite all members—some are looking astonished and I do not understand why. I appeal to you to talk to the members for Burlington South and to support this amendment.

On motion by Mr. Di Santo, the debate was adjourned.

On motion by Hon. Mr. Gregory, the committee reported progress.

WATERMAIN CONSTRUCTION GRANT

Mr. Speaker: We have the—

Mr. Swart: Late show.

Mr. Speaker: I do not think it is called the late show.

Pursuant to standing order 28(b), the member for Essex North has expressed dissatisfaction with an answer given to him by the Minister of the Environment (Mr. Norton).

Mr. Ruston: I realize the Minister of the Environment is in the committee downstairs and I thought he may be excused to come up and listen to my remarks. However, I will go ahead in case he does not come.

Mr. Speaker, the concern I have is a question I asked of the minister with regard to a project the former Minister of the Environment approved in the township of Rochester. I read the paragraph which says:

"I am pleased to confirm that I have approved the grant in the amount of \$969,000, which represents 72 per cent of the net capital cost of the project, based on the estimates provided by the municipality."

I have here, Mr. Speaker, the certificates of approval signed by the ministry officials: the numbers are 7-0139-81-006 and 7-0994-79-817. These were dated April 21, 1981, and April 8, 1980.

10:30 p.m.

The township received a registered letter from J. Neil Mulvaney, QC, to the township solicitor advising that as indicated on the telephone, an error has occurred in the calculation of the above grant and that the township is only entitled to \$90,000.

If there was an error, I am asking why the township was not notified of the circumstances so that they would be aware of what was going on. Up to this date the township has never been advised where the error was made and who made the error. In fact on May 31 the township solicitor received a letter from Mr. Mulvaney indicating that the province would pay \$90,000, or not more than 15 per cent of the cost of the 12-inch main from Lakeshore Drive on Highway 2 to the elevated storage tank at St. Joachim.

The proposed 12-inch main would not run from the Lakeshore Drive and there is no—and I emphasize no—elevated tank at St. Joachim. There never has been and it is not proposed in this project. I mention this to further reinforce my contention that the minister and his officials are perhaps misleading the township. They state

in a letter that something is wrong, but have never said what the mistake was.

The application forms filed by the township are the same as the applications filled out by the township of Pittsburgh and the township of Kingston in the area close to where the minister resides. There was never any mention on their applications, or on the applications of the township of Rochester, that had anything to do with 100-foot lots along a highway. But they are now claiming that because it is a rural area it is not entitled to these grants.

The local representative of the Ministry of the Environment, Mr. MacMillan, urged the township of Tilbury North, in March of this year, to ask that the township of Rochester add a line to their project to hook up with Tilbury North, and at the same time to use the 72 per cent provincial grant they were obtaining from the Ministry of the Environment. So, in March of this year, the people of the Ministry of the Environment in Windsor and Sarnia and area were not aware of any error, if there was such. This further reinforces the fact that there was no error and that the minister has changed rules during the last six months.

Mr. Speaker: One minute.

Mr. Ruston: The minister must admit that if there was an error he should have been able to show, in the past few weeks, where it was, who made it and how it was made. That has not come about. He has only said they are not entitled to the \$969,000. That was in a letter signed by the former minister on March 20, one day after the election of March 19, 1981, when Mr. Parrott was still holding that position.

I want to emphasize that there is something wrong in the Ministry of the Environment when the minister can withhold money that is properly assessed to the township, approved by the Ontario Municipal Board and when the township has already called tenders for the project. This is unfair, and we will have to continue making representations until the minister gives us a proper reply.

ENERGY RATES

Mr. Speaker: The member for Welland-Thorold has given notice of his dissatisfaction with the answer to a question to the Minister of Energy (Mr. Welch).

Mr. Swart: Mr. Speaker, I hope the minister will be here before too long. If not, I may have some comments to make at the end. Perhaps his parliamentary assistant is going to answer.

This debate is being held because the Minister of Energy gave a totally unsatisfactory answer to my request for intervention in the Consumers' Gas proposal for an excessive and unfair increase in rates.

Surely the minister must be aware that last year's decision of the Ontario Energy Board increased Consumers' Gas net income by 19 per cent and consciously planned for a further increase in equity this year of another 25 per cent.

Now Consumers' Gas has asked for another increase, which by Consumers' own figures will increase home heating costs by an average of 59 per cent in just two years, or from \$657 to \$1,044.

Unlike most previous increases, a huge proportion is not going either to taxes or to wholesale prices but directly to the Consumers' Gas coffers—\$77 million in the last increase and \$83 million in the one they are asking for now.

Does the minister not realize what that kind of unnecessary increase in home heating rates is going to do to the average home owner? By what strange logic does his Ontario Energy Board, without a word of protest from him, assure vastly increasing profits to this public utility monopoly while all other segments of the economy are increasingly depressed?

That is bad enough, but now he is apparently not going to voice a word of protest about the new proposal of Consumers' Gas which will increase the minimum charge by three times, from \$6.27 to \$18.30 a month and charge for gas that is not even used. He is prepared to let them make a surcharge on gas used in the winter. This will hit hardest at the elderly and the people in the north. By their proposals, the people who conserve energy by heat pumps or any other method will be penalized.

Does the minister fail to understand the fundamental contradiction between his oft-repeated policy of energy conservation and the deliberate policy of Consumers' Gas to penalize those who conserve? Traditionally, his government's indifference to the needs of consumers is evident, but his attitude on these home-heating hikes has hit a new high—or perhaps the right words are a new low.

It was hands off in the unprecedented awards to Consumers' and other natural gas companies last year. Using the procedures of the Ontario Energy Board Act, members of this caucus on March 22 officially appealed that award to the cabinet and asked the cabinet to reduce it, as it has the power to do. Now, two and a half months

later, we have not even had a reply to that legal and official appeal.

Two weeks after Consumers' Gas applied for this latest ripoff, the Minister of Consumer and Commercial Relations (Mr. Elgie), did not even know the application had been made. What a concern that is for consumers.

The minister tells us, in reply to my question last Friday—and incidentally that was two or three days before the Liberal Leader of the Opposition (Mr. Peterson) and his party twigged to the problem—that it would be inappropriate for him to intervene now that the application is before the Ontario Energy Board. Never have I heard such convoluted reasoning.

The issue is before the Ontario Energy Board precisely for the purpose of hearing evidence and views from any interested source. Not only that, the Ontario Energy Board, like the Ontario Municipal Board, considers government policy to be important, if not binding. It is therefore essential that he make a policy statement. If he believes, as he must, and if he cares, he will know that this will place additional costs on the average home owner. It is unfair that a minimum rate be tripled and gas be paid for by the home owner that he does not even use, and that the rate policy should reflect consideration of principles that he can bring about by stating government policy.

Mr. Speaker: The member has one minute.

Mr. Swart: The second requirement, if he is sincere about protecting home owners, is to intervene at the hearing and present the arguments on behalf of the consumers as fully funded and as adequately represented by lawyers and witnesses as Consumers' Gas is on the other side. If he should feel that somehow or other as Minister of Energy he would have a conflict of interest then the Minister of Consumer and Commercial Relations, who has the responsibility for consumer protection, could intervene.

But he and his government cannot stand idly by while Consumers' Gas overwhelms the Ontario Energy Board and walks away with the mother lode at the expense of the consumer.

We know this is a government attached to the interests of big business, but there must be some limits. I call on the minister and his government to respond positively to the petition from this caucus to reduce the 32 per cent increase in rates awarded last February, to issue a policy statement opposing the new proposal by Consumers' Gas, and to intervene at the Ontario Energy Board hearing on behalf of the consum-

ers with resources and determination equal to that of Consumers' Gas.

If he cares, he will do just that.

Mr. Speaker: The member's time has expired.

Mr. McClellan: Where is the minister?

10:40 p.m.

Mr. Speaker: The honourable member for Downsview has given notice of his dissatisfaction with the answer to his question given by the Minister of Labour.

Mr. Di Santo: Mr. Speaker, I would like to yield to the parliamentary assistant if he wants to answer the member for Welland-Thorold.

Mr. Speaker: He is not required to if he does not wish to.

Interjection.

Mr. Di Santo: He has the authorization of—

Mr. Speaker: The clock is running.

WORKMEN'S COMPENSATION

Mr. Di Santo: Mr. Speaker, I asked the Minister of Labour a very simple question yesterday: Why is it that he cannot make a commitment now to introduce legislation to amend the Workmen's Compensation Act so that the workmen's compensation benefits for pensioners would be revised. He said yesterday that he could not make that commitment.

I find that absolutely unjustifiable on any grounds. How can he justify on moral grounds, on the grounds of social justice or on the grounds of common sense the refusal to give injured workers an increase in their pensions that would not increase their total pensions but would put them in a position to fight inflation like any other group in our society?

The government last week make an agreement with the doctors, an agreement so generous that it brought their salaries to the point where in 1985 they will earn \$122,000 a year. In 1976 the pensioners in Ontario received a minimum of \$5,064; in 1981 they received a minimum of \$7,854. These are the pensions that we are asking the government to increase.

The minister knows that since 1975 the consumer price index has gone up by 78.3 per cent, the average industrial wage has gone up by 75.4 per cent and the pensions and benefits for injured workers have gone up by only 55 per cent. This means that from 1976 until today they have lost 23 per cent of their purchasing power.

We know what the minister's justification is: He is saying there is reform looming—God knows when. But he knows better than we do

that this reform will not take place and that the injured workers will not have this minimum increase, which would make their lives less miserable than they are today.

I think the minister did not justify and cannot justify the fact that he does not want to take this simple step. He said that in the past he has increased the benefits every year or every two years. Why not now? Why not in 1982? He knows that inflation is more than 11 per cent; he knows that most of the injured workers on partial pensions cannot live with those pensions. They are living far below the poverty line. He knows he will not be able to introduce reform, whether it be based on wage loss or on any other principle, for a long time. So why does he not want to introduce the amendments now?

I think he has a moral responsibility. I know the injured workers do not have a powerful lobby like the doctors; I know the minister does not dine with the injured workers, as the Minister of Health (Mr. Grossman) dines with the doctors of the Ontario Medical Association. But still they are human beings, and if he thinks he can fight—

Mr. Speaker: One minute.

Mr. Di Santo: —the battle of restraints on the backs of the injured workers, then he is doing an injustice not only to those people, who cannot defend themselves, but also to himself, to his government and to the conscience of the people of Ontario.

If the minister thinks the injured workers cannot react because they are powerless, fragmented and suffering in their souls and in their bodies, then he is underestimating a reaction that is mounting out there. When he sees people out here protesting then that will be the final result of a situation of despair that the minister and his government have created.

I am not confronting the minister. I want to appeal to him to do something that is humanly just and is required by human justice.

Hon. Mr. Ramsay: Mr. Speaker, I have no quarrel with what the honourable member had to say in the first three minutes of his address. I must admit to having considerable quarrel with what he said in the last two minutes because he drew certain assumptions as to my personal feelings which I will not accept. I am disappointed he would draw those assumptions as to the way I may feel about injured workers. Those are strictly assumptions on his part and he has no justification in making them at this time.

Mr. Di Santo: On a point of order, Mr. Speaker: I was not addressing myself to the personal feelings of the minister, but rather to the policy of the government which the minister embodies.

Hon. Mr. Ramsay: My thanks to the member. I appreciate that clarification.

I would like to expand on my remarks of yesterday by pointing out that the Workmen's Compensation Amendment Act introducing the last benefit revisions was introduced in this House on June 24 of last year and was proclaimed on July 1 of last year. That revision covered a 24-month period and included substantial increases. The income ceiling increased 20 per cent from \$18,500 to \$22,200.

Mr. Di Santo: Nineteen per cent.

Hon. Mr. Ramsay: Existing pensions were increased nine per cent to mid-1980 and a further 10 per cent to mid-1981. I heard the

member say it was 19 per cent, rather than 20. If that is so, I stand corrected.

Previous increases were brought before the House in June 1974, then over a year later in 1975, three years later in June 1978, one and a half years later in December 1979 and again after one and a half years in June 1981.

The government's white paper on the Workmen's Compensation Act recommends an annual review of compensation benefits and awards for possible adjustments for inflation. This will be considered by a legislative committee next month along with other measures included in the white paper.

I said yesterday, and I want to repeat today, I have the matter of interim increases under review. I have nothing further to add at this time.

The House adjourned at 10:48 p.m.

CONTENTS

Tuesday, June 1, 1982

Second reading

Ontario Unconditional Grants Amendment Act , Bill 28, Mr. Bennett, Mr. Rotenberg, agreed to.....	2243
---	------

Committee of the whole House

District Municipality of Muskoka Amendment Act , Bill 9, Mr. Bennett, Mr. Epp, Mr. Breaugh, Mr. Bradley, Mr. Cassidy, Mr. Roy, Mr. McClellan, Mr. Ruprecht, Mr. R. F. Johnston, Mr. Haggerty, Mr. Swart, Mr. Rotenberg, Mr. Jones, Mr. Di Santo, Mr. Boudria, adjourned.....	2245
---	------

Other business

Watermain construction grant , Mr. Ruston.....	2268
Energy rates , Mr. Swart.....	2268
Workmen's compensation , Mr. Di Santo, Mr. Ramsay.....	2270
Adjournment	2271

SPEAKERS IN THIS ISSUE

Boudria, D. (Prescott-Russell L)
 Bradley, J. J. (St. Catharines L)
 Brandt, A. S. (Sarnia PC)
 Breaugh, M. J. (Oshawa NDP)
 Cassidy, M. (Ottawa Centre NDP)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
 Di Santo, O. (Downsview NDP)
 Epp, H. A. (Waterloo North L)
 Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
 Haggerty, R. (Erie L)
 Johnson, J. M. (Wellington-Dufferin-Peel PC)
 Johnston, R. F. (Scarborough West NDP)
 Jones, T. (Mississauga North PC)
 Kerr, G. A. (Burlington South PC)
 McClellan, R. A. (Bellwoods NDP)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Philip, E. T. (Etobicoke NDP)
 Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
 Rotenberg, D. (Wilson Heights PC)
 Roy, A. J. (Ottawa East L)
 Ruprecht, T. (Parkdale L)
 Ruston, R. F. (Essex North L)
 Samis, G. R. (Cornwall NDP)
 Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
 Swart, M. L. (Welland-Thorold NDP)
 Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)
 Turner, Hon. J. M., Speaker (Peterborough PC)
 Wildman, B. (Algoma NDP)
 Wrye, W. M. (Windsor-Sandwich L)



Ontario

LEGISLATIVE ASSEMBLY

No. 64

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Thursday, June 3, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, June 3, 1982

The House met at 2 p.m.

Prayers.

PREMIER'S REMARKS

Mr. Wrye: Mr. Speaker, I have a point of privilege. I hope we can get the Premier (Mr. Davis) to correct the record when he arrives, because I think it is very important.

Speaking on Tuesday of this week, the Premier said, "The Liberal Party of Ontario sits there day after day in the House, obstructs, does not want to pass a budget that will provide incentives to small business, that will provide encouragement to home ownership, that does something in terms of giving a measure of confidence to the investment community." Those are the exact words of the Premier.

I know and you know, and I am sure the Premier knows but was inadvertently misleading the public, that we are not passing the budget now. In fact, we will not vote on the budget until this December.

I would like to offer a bit of an explanation. The comments made by the Premier were made in the city of Hamilton. Perhaps it was just that the Premier had been given advance notice that the Hamilton Chamber of Commerce was about to pass a resolution proposing to sell Suncor and that the mover of that resolution was Maurice Carter, a former Progressive Conservative candidate.

Mr. Speaker: That is hardly a point of privilege. I have to rule that out of order.

TAX ON NONPROFIT ORGANIZATIONS

Mr. Peterson: Mr. Speaker, I rise on a point of privilege, if I may. My point of privilege relates to the reply of the Treasurer (Mr. F. S. Miller) to my question on Tuesday dealing with the removal of the sales tax exemption on meals and taxing all meals at seven per cent. I have a copy of Hansard for June 1 in my hand, and I would like to read what the Treasurer said at page 2205:

"I do not believe that it will cause that loss of jobs. It is an industry I know reasonably well. I do believe the Leader of the Opposition will find that I am quite properly taxing a retail sale like most other retail sales and that it is properly taxable"—and this is the offending part—"and

is taxed by many provinces in the way we are doing it."

That is factually untrue. There is no other province that is taxing meals in the way we are. Three provinces do not tax meals at all. The remaining provinces all have exemption levels, below which no tax is applied. For the sake of the record, I would like to give the facts.

British Columbia has no tax. Alberta has no tax. Saskatchewan has no tax. Manitoba has a \$6 exemption level. New Brunswick has a \$2 exemption level. Newfoundland has a \$3 exemption level. Nova Scotia has a \$4 exemption level. Prince Edward Island has a \$2 exemption level. Quebec has a \$3.25 exemption level.

I have taken advantage of this opportunity to correct the record and ask the Treasurer to withdraw his remarks and correct the record rather than be accused of inadvertently misleading the House.

Mr. Speaker: I am sure the record will be corrected.

[Later]

Hon. F. S. Miller: Mr. Speaker, do you mind if I digress for a minute to the point of privilege? I think the Leader of the Opposition was technically accurate when he read my words back to me. Often, when reading words said orally, one is able to see the context of the sentence. I have them in front of me.

The key words the member stressed were "in the way we are doing it." I have to agree that is inaccurately used there and I accept that as a fair comment. When I said that, it was in regard to taxing meals and the words "in the way we are doing it" are not accurate, because each province has a different tax rate from ours or a different threshold.

USE OF MEMBERS' NAMES IN DEBATES

Mr. Speaker: I would like to draw to the attention of all honourable members a matter that is of some concern to me.

I am sure all members will remember that last session, when I attempted to return to the original parliamentary practice of recognizing the members by name when they rise to speak, a number of members objected to this practice and wished me to return to the former practice,

which has grown over the years, of recognizing members by their electoral districts or ministers by their portfolios. In accordance with those expressed wishes, I have followed that practice.

You can imagine my surprise and astonishment, therefore, to find that the members, including those who protested the change that I had attempted, are now in the habit of referring to other members by name during debate, sometimes by even their first names alone or with surnames.

Debate, of course, is the one time when it is completely out of order to refer to other members by name. I would therefore ask the members to be more careful and to adhere to the correct parliamentary rule in debate of referring to other members properly by their electoral districts and ministers by their portfolios or, in either case, even by some such indication as "the honourable member who has just spoken."

STATEMENT BY THE MINISTRY

MOTOR VEHICLE DEALERS AMENDMENT BILL

Hon. Mr. Elgie: Mr. Speaker, I am sure that everyone here today has heard of the Ontario travel industry compensation fund. In the past seven years this fund has paid out more than \$2.5 million to consumers who had claims arising out of the collapse of travel agencies and companies. This is the kind of industry initiative that deserves the full support and appreciation of the Ontario government and citizens of the province.

I am pleased to announce today that my ministry has been asked to help set up a similar fund to compensate consumers who are caught in the collapse of a car dealership. This afternoon I will be introducing a bill to amend the Motor Vehicle Dealers Act which will set up this fund.

By way of background, the Motor Vehicle Dealers Act was passed in 1965. At that time, a \$5,000 bond was posted by each of the car dealerships and this was enough to cover potential consumer claims but, as the industry has rightly pointed out, it is not enough today. Some dealerships are running trust accounts as high as \$20,000 and acceptance of \$1,000 deposits is commonplace. A \$5,000 dealer bond would not go very far if a dealership went under and the trust account was not intact.

As well, the industry has told us that posting bonds has become increasingly expensive and

that processing of claims is a time-consuming and cumbersome process for consumers.

2:10 p.m.

After many meetings with the industry it was decided to amend the act to establish a compensation fund. We hope to have it in place by the end of the year. The money will be placed in trust and administered by a board of trustees made up of industry, government and public representatives. Administrative costs will be covered by interest from the fund.

During the meetings it was also decided that consumers should be the only ones to benefit from the fund. Dealers and other financial agencies, as is the case in the travel fund, will not be able to apply for compensation.

In conclusion, I wish to extend special thanks to the Automobile Dealer Associations of Ontario for their time and co-operation. The implementation of this fund is an important step in the process of sharing regulatory responsibility. Working together on a board of trustees will surely enhance understanding between this government and the industry.

ORAL QUESTIONS

TAX BURDEN

Mr. Peterson: Mr. Speaker, I have a question for the Treasurer. The Treasurer no doubt will be aware that at a meeting on May 19 the Association of Municipalities of Ontario put out a press release with respect to the effects of the budget on the municipalities. For his benefit I would like to quote a few sentences from that release:

"The provincial expectation that municipal governments are able to assume these additional costs at a time when municipalities are already experiencing fiscal restraint is unrealistic. The budget in effect offsets the 1982 transfer payments as announced by the Honourable Claude Bennett on January 28, 1982. At the time when the transfer payments were announced, the association stated its concern regarding the inadequacy of the 10.5 per cent increase over the amount budgeted for municipalities in 1981. The impact of the Ontario budget now magnifies many times this inadequacy."

AMO has called on its members to be militant and take their case to the members of the Legislature of all parties. In view of the fact that the Treasurer did not consult with the municipalities before he entered into this major shift of the tax burden, will he send that bill to a committee of this Legislature this summer and

allow the committee to bring in outside expert witnesses, such as representatives of the municipalities, to put their case to the government that this tax is unfair and iniquitous at this time?

Hon. F. S. Miller: Mr. Speaker, I was quite aware that every board of education and every municipality in the province would contact members here and complain about any sales tax change or, in fact, any tax change. Last year, I made some changes in the licence plate fees, and I am sure most of us heard from municipalities about that.

In so far as I can tell, this change will affect the gross spending of municipalities by 0.5 per cent. There are many changes in every budget which increase the spending both of governments and of companies. For example, the change in the gasoline tax in any year when it occurs does that. The change in Ontario health insurance plan premiums does that. The change in semi-private rates will affect a company like Blue Cross. The addition of sales tax on labour affects insurance companies.

One of the reasons there is always some reaction to any budgetary tax change is that it affects many people in a way they cannot predict in advance. By comparison with other tax changes, I have to say this is not unusual in its size or impact and I believe it is fairly applied. Some of those tax changes are subject to provincial grants under certain circumstances — many of them are not, I accept that as a fact.

Most of them are not, I am not trying to deny that. I am simply saying to the Leader of the Opposition that it is not an unexpected change. Does he really expect the municipalities of this province to endorse that change? I think not.

Mr. Peterson: The Treasurer is the one who constantly decries the federal government for lack of consultation before it brings in new changes in fiscal arrangements. He is the one who brought in this budget after the majority of municipal budgets had been set. Now they will have to either cut back on services, go into deficit positions or take a variety of other emergency measures to deal with the provincial budget, which was unfairly imposed after the fact.

There is quite a significant financial impact. I will give the Treasurer some statistics. We are getting many letters daily from municipalities and school boards outlining their difficulties: Sarnia, \$85,000; Chatham, \$99,000 for sales taxes plus OHIP; London, \$411,000; London Board of Education, \$695,000; Sudbury Board of Education, \$403,000; Mississauga, \$125,000

in sales tax alone; Hamilton Board of Education, \$382,623.

Even the tiny community of Beeton wrote to tell me it will incur an extra \$30,000 cost on some capital projects it is undertaking for which it was not allowed to plan or budget.

Given that the Treasurer brought in these changes arbitrarily after these plans had been made, with no notice, he has the obligation at least to hear these people out in a public forum this summer. That is a fair and reasonable request. I ask the Treasurer to instruct his party to have an open hearing this summer and listen to these witnesses.

Hon. F. S. Miller: I do not think I heard a question in that whole statement.

Mr. Speaker: It was a statement.

Hon. F. S. Miller: There is quite a difference between changing the tax rate of taxable commodities or taxable entities and changing revenue-sharing agreements. The federal government changed revenue-sharing agreements. That is the fundamental change, and the Leader of the Opposition knows it.

Mr. Foulds: Mr. Speaker, given that the Treasurer has some justification for his disapproval of the federal curtailment of revenue sharing, does he not agree that the municipalities have an even stronger case for disaffection and dissatisfaction, in that there was no negotiation or announcement ahead of time and that the Treasurer is effectively taking revenues away from them?

Hon. F. S. Miller: I think I just answered that, Mr. Speaker.

Mr. Peterson: Why will the Treasurer not allow a hearing this summer for the affected parties to inform him of the difficulties they are going to experience this year and in the future with respect to his budget? Why will he not allow that public hearing?

Hon. F. S. Miller: There are many ways municipalities advise us of their feelings. The Minister of Municipal Affairs and Housing (Mr. Bennett) steadily has meetings with municipalities, and I am sure he will be deluged with letters and demands from them for a review. My colleague the Minister of Education and Colleges and Universities (Miss Stephenson) will get the same kinds of requests.

We have changed tax bases that affect, in general, the type of commodity tax and the people subject to paying that tax. One of the principles I enunciated in the budget, and one we have been following at the federal and

provincial level, is that we should pay each other's taxes.

The Leader of the Opposition tends to forget that the province is paying grants in lieu of taxes to municipalities for properties that in the past often received no payment from the province. That was because we believed we should be doing that. In the future we will continue to review that to see that we pay our fair share of taxes at the municipal level. We believe that is a proper objective. At the same time, they should be paying their fair share of the taxes levied by provinces.

2:20 p.m.

ONTARIO HYDRO SALARIES

Mr. Peterson: Mr. Speaker, I have another question for the Treasurer. I take him back to his budget of a month or so ago. He said in that budget: "I now serve notice to all recipients of provincial funds that they should not count on future funding at or above inflation rates. If we did so, we would doom our economy to continuing high inflation and high unemployment."

Given the government's imposed six per cent wage ceiling, how can the Treasurer justify salary increases for Ontario Hydro employees of 15.1 per cent in 1982 and 12.5 per cent in 1983, a move that has a serious impact on electricity rates, which increased by 9.6 per cent to municipalities this year and are proposed to increase by 13 per cent, above the rate of inflation, next year?

Hon. F. S. Miller: Mr. Speaker, there are two things. The details of the negotiations at Ontario Hydro may best be obtained from the Minister of Energy (Mr. Welch). What I did say in my budget speech was that I was not interfering with the people who are members of collective bargaining units. I was setting a six per cent ceiling on people who were not in the bargaining units and were part of the management team of the province.

I was also putting in place a sunshine law requesting emanations of government, those entities that receive most of their money from government, including crown corporations such as Ontario Hydro, in future to publish salaries of people making more than \$30,000 a year so that the public would be aware of changes in those salary levels. We believe that will apply to Hydro. We have discussed that with them, and they have accepted that fact. One will be able to tell whether they are passing on increases to executives which exceed the guidelines we are using in the province.

Mr. Peterson: I am quite well aware what the proposal is; it will be dramatically above that. The Treasurer is quite well aware that Ontario is responsible as the guarantor of all Hydro's borrowings. He is aware that Hydro employs some 24,000 people. The proposed increases will be more than 15 per cent and will bring the average salary of someone employed by Hydro to more than \$45,000 in 1983. How can the minister selectively bring in restraint in some sectors and not in other sectors when they are all ultimately under his jurisdiction?

Hon. F. S. Miller: Do I read into the Leader of the Opposition's comments an objection to the fact that we are taking some steps to control salaries that are not in bargaining units in the province? Does he not agree that we should have limited them to six per cent? Is he implying that we should have paid them the 12 per cent they deserved? I really have not read into his question what he is saying.

As far as I know, that settlement either was negotiated before my budget came out or was in the final stages. I did not involve myself in the negotiation process, nor did I imply that we would be involved. But surely, whether it is members of the Legislature here or members of the province's senior staff directly within the government, we should set a leadership pattern which we hope will have some effect upon the overall level of negotiated settlements in Ontario, be they in the public or private sectors.

Mr. Peterson: Given that is a noble ambition and there is no disagreement, how can the minister impose that selectively and at the same time go to those people with a 13 per cent increase in Hydro rates? These are all agencies under his jurisdiction, and one of the reasons the Ontario Energy Board was established was the large increase in electricity rates because of the staff's high demands. Surely if he is going to bring in restraints he has to apply them fairly across the board. Or is he just fiddling in a political way?

Hon. F. S. Miller: I would like the Leader of the Opposition to compare the salaries of the people in Ontario who work for this government with the salaries in Quebec.

Mr. Kerrio: What does that have to do with it? That's a lot of baloney and you know it.

Hon. F. S. Miller: It has a lot to do with it. The honourable member knows it has. The Quebec

government's salary levels are far higher than our salary levels.

Mr. Kerrio: That's a ridiculous argument.

Mr. Speaker: Order.

Hon. F. S. Miller: The members opposite do not want any comparisons, and yet the very first thing any negotiating team does is make comparisons province to province and level to level. The members opposite know that. Every board of education, every municipality and every province is doing it all the time. The members opposite do it all the time, and they know darned well they do it all the time.

This province has shown leadership. Mr. Parizeau said he wished he had taken the steps Ontario did in 1976 to cut the growth of spending so that he would have had some flexibility. He has to lay off 17,000 people and freeze salaries. We have already done it.

WELFARE PAYMENTS

Mr. Foulds: Mr. Speaker, I have a new question for the Treasurer. I wonder whether the Treasurer has had brought to his attention the statement by the Social Planning Council of Metropolitan Toronto, called A Statement on Provincial Underfunding of Social Assistance Programs, and the Metro social services commissioner's report of May 27 to the community services and housing committee, entitled GWA and the Need for Adequate Allowances.

If he has had those brought to his attention, what comment does he have on the statement by the social planning council that the shortfall in purchasing power for recipients of general welfare assistance ranges from \$1,060 for a single person under 65 to \$2,457 for a recipient under the guaranteed annual income system for the disabled who has a spouse and no children, and that to restore incomes in 1983 to the 1975 level would require a benefit rate increase of 24 per cent to 37 per cent in October 1982?

Also, does the Treasurer know that the Metro social services commissioner says, "In the case of a four-person GWA family, the allowance will fall to nearly half the poverty-line level in 1982 unless dramatic rate increases occur"?

How does it feel to be the Treasurer who brings in a budget that he says is for winners when he fails to bring in increases for the so-called losers in our society at the same time? This is a budget that tramples on all those people, and places Ontario in seventh place in social assistance rates. Both Alberta and Sas-

katchewan have rates 50 per cent above those of Ontario.

Hon. F. S. Miller: Mr. Speaker, I am not familiar with the report and therefore I will not venture any comment on it. But I will say this: If I do not bring in a budget to encourage winners—the people who pay taxes—then I am in no position to help losers.

Mr. Foulds: In one documented case on the rolls of the Metro social services commissioner, that of a family with two adults and two children aged 12 and 16, after they had paid their rent and bought their food for the month they had \$20.38 left to buy all those nonessential items that the Treasurer has started to tax, such as deodorants, soap, shaving cream and school supplies. Is the Treasurer aware that the individuals in that family have exactly 17 cents a day to spend on items other than rent and food, let alone to buy a baseball, a basketball or a baseball glove?

Hon. F. S. Miller: I have great confidence in my colleague the Minister of Community and Social Services (Mr. Drea) to make recommendations to cabinet. I also have great confidence in our cabinet to treat the people of this province fairly, as they have done for years.

Mr. Peterson: Mr. Speaker, given situations like that just described—and I know the Treasurer is very well aware of them, because we all hear about them in our constituencies—and given the very serious difficulty a lot of people are facing in this province, does he not honestly feel it would have been better to use the Suncor money to help people in need rather than wasting it, and chronically wasting it with the interest running up, on the Suncor purchase? Would that not be a fair and more humane way to spend that money in a time of recession?

Hon. F. S. Miller: Mr. Speaker, my honourable friend, for whom I have a lot of respect, has espoused the cause of small business in this province, and his party has espoused it. Yet if one analyses my budget, one will see that the area to which we gave the greatest degree of help is small business, to help it recover from this very tough time and to reinvest; and second, that is exactly where we are investing our money—

2:30 p.m.

Mr. Peterson: That is not the question. That has nothing to do with it.

Hon. F. S. Miller: I think it does. The Leader of the Opposition is trying to imply that we did

nothing to help, but that is exactly where we put our money. We put our money where our mouth was and helped them. We also helped first-time home owners, who we hope will create jobs. It gets back to creating the wealth that will help us to support the social services our friend talks about.

Mr. R. F. Johnston: Mr. Speaker, is the Treasurer aware of the 40 per cent and more of welfare recipients, according to the Minister of Community and Social Services, who are using private housing? The single employable recipient on general welfare assistance in Toronto will be paying, on average, \$308 a month to rent a single-bedroom apartment. He or she has been allocated by the social services committee an allowance of approximately \$77.52 as what is needed to feed one person for one month. Therefore, when one finds that person receives only \$266 a month from this government, he has a deficit of \$119.52 before he goes to buy anything else he may need to operate in our society.

How can the Treasurer say his government has been responsive to this when that is the present situation for people in Toronto?

Hon. F. S. Miller: The honourable member uses the figures. I am not going to challenge them and I am not going to try to give him other sets of figures. I can only say the Ministry of Community and Social Services spends a good deal of time analysing those very needs. Whether he is satisfied with the level of support or not I believe he will find we have treated people in that category fairly.

Mr. Foulds: I wish I had another supplementary question for the Treasurer, because surely he would agree those people are not receiving adequate incomes and his government, under his budget, will not be able to supply them.

ENERGY RATES

Mr. Foulds: I have a new question to the Minister of Energy, if he could take his seat and stop his little tête-à-tête with the Minister of Natural Resources (Mr. Pope).

Interjection

Mr. Foulds: Does he not like having tête-à-têtes with the Minister of Natural Resources?

Mr. Speaker: Is that the member's question?

Mr. Foulds: Does he blush when he has them? Does he find that—the Premier is blushing. He probably does not—

Mr. Bradley: He's for freedom of information.

Mr. Foulds: Go ahead. Make your maiden speech in the House.

Mr. Martel: What did you feed them today?

Mr. Foulds: To the Minister of Energy: There are two applications for rate increases before the Ontario Energy Board which, if approved, will discriminate against conservation measures and northern Ontario residents. Those applications are the Ontario Hydro application for seasonally adjusted rates and Consumers' Gas application for its flat rate administrative cost during the summer when most people would not be using their gas furnaces.

Can the Minister of Energy tell us, as a matter of government policy, if it will allow these discriminatory steps to be taken against those who conserve and against consumers who live in the north? What steps will his government take to protect the consumer?

Hon. Mr. Welch: As the Minister of Energy has said on a number of occasions with respect to similarly-worded questions, it would be improper for him to comment at this time about two applications that are at present before the Ontario Energy Board.

I assume the honourable member would expect there would be far more integrity to the system to allow the applications to be considered by the board.

Mr. Foulds: How can the minister expect the Ontario Energy Board to make a decision in a vacuum if there is no policy coming from the government? Who speaks for the government on this issue? Is it the Minister of Northern Affairs (Mr. Bernier), who has said in the north but not down here in the House that he opposes that discriminatory practice against northern Ontario in Hydro rates? Is it the Minister of Energy or is it the Minister of Consumer and Commercial Relations (Mr. Elgie), who failed to show up when my colleague asked him a question? Who protects the consumer? Where is the government policy? How does the minister expect the OEB to operate in a vacuum?

Hon. Mr. Welch: Mr. Speaker, I know that because the honourable member is the critic of the Ministry of Energy he understands the system and understands the role of the Ontario Energy Board to which applications have to be made. The member will know very well that one of the matters he is talking about itself was the subject of about three years of public hearings before that same board and was incorporated by that board in its report on the whole energy pricing study.

I want to make it quite clear that we have matters before the Ontario Energy Board. We have an opportunity for public review of these matters before the Ontario Energy Board. That is where both of those matters are at the moment. It would be improper to ask me to make any statement that would be deemed as trying to influence the outcome of that hearing process.

Mr. Martel: It would be proper for you to say that there would be no discriminatory—

Mr. Speaker: Order.

Mr. Martel: Well, it's my people.

Mr. Speaker: It is very nice to see the member for Sudbury East (Mr. Martel) back, feeling much better and able to voice his opinions; but please do it at the proper time.

Mr. Martel: I just say, Mr. Speaker, the people I represent get shafted—

Mr. Speaker: Order. Order.

Mr. Sargent: Let's have some order around here.

Mr. Peterson: He is absolutely right. There is the next Speaker right there.

Would the minister not agree with me that he runs the risk of being seen as Lady Macbeth in this whole matter? He is washing his hands of the responsibility for a philosophy of energy pricing.

Does he believe we can continue just to keep it at arm's length and not to get involved? Should we not rather have a philosophy and a method of energy pricing to discourage consumption, to encourage conservation? That is going to have to come from him.

How can he stand here constantly, day after day in this House, and say it is not his fault, it is the fault of the Ontario Energy Board? Surely he has a responsibility.

Hon. Mr. Welch: Mr. Speaker, I am being very direct in my answer with respect to a procedure with which I would hope the Leader of the Opposition is familiar. We have a franchise holder in the province, one of the companies, before the energy board, where it should be, making application with respect to its rates.

We also have a procedure, which is set out in the legislation, for the request of Hydro to be referred. I am assuming that the Leader of the Opposition is familiar with all those procedures. That is where those matters are. All I am saying is that at this stage it would be improper to interfere with that system, and will be so until

such time as the board has heard that application.

Mr. Swart: Mr. Speaker, how can the minister say it is inappropriate for him to make a statement when the Ontario Energy Board, like the Ontario Municipal Board, will follow and must follow the policy of the government?

Surely there is an obligation on him to state the policy of the government with regard to the conservation of energy. If he will not even make such a statement, will he assure us there is going to be a fair hearing by having a ministry of his government intervene there to represent the consumers?

Finally, will he ask the government to appoint a public advocate so that consumers can be adequately represented at these hearings and not allow a situation similar to that at the last hearing where there were 20 witnesses for Consumers' Gas Co. and not one lawyer or other person there representing the consumers of this province?

Hon. Mr. Welch: Mr. Speaker, as the honourable member will recall—I think it was last Friday when we had the exchange—the member for St. Catharines (Mr. Bradley) asked for some clarification with respect to government policy as it related to off-oil, and as it related to conservation and the targets connected therewith. Government policy with respect to these matters is clear and has been enunciated on many occasions. I am only sorry that when the member for Welland-Thorold (Mr. Swart) called the St. Catharines Standard on Tuesday or Wednesday, and all the radio stations back home, he overlooked—

2:40 p.m.

An hon. member: They called him.

Hon. Mr. Welch: Oh, no, they did not call him. He overlooked that part of government policy, and so no doubt, because of this exchange today, when he rushes to the phone to make sure this has been raised again, he will be fair enough actually to make it clear back home that government policy on those subjects is quite clear and has been well articulated.

VISITORS

Mr. Speaker: With the permission of the House, I would like to introduce to all honourable members a special group sitting in the Speaker's gallery and in the public gallery on the west side. They are an official delegation from the government of the region of Basilicata in Italy, led by their Premier, the Honourable

Carmelo Azzara. I would ask all honourable members to join me in welcoming them.

[Applause]

[Translation from Italian].

Ms. Copps: On behalf of our Liberal Party I would like to welcome to Canada and to our good province of Ontario all the group from Italy. Thank you.

[End of translation].

BALLOON IN LEGISLATURE

Mr. Bradley: Mr. Speaker, I rise on a point of privilege very important to all members of this House. It is interesting enough that on the sheet that indicates where members are sitting you are in blue. I would like to call to your attention that in this chamber at the present time, if you look upward at the ceiling, you will see that someone has smuggled in a blue balloon. Interestingly enough, it has risen to the ceiling. I will leave it to your discretion to determine how.

Mr. Speaker: I am not sure if that is a point of privilege or just an interesting observation, but I had nothing to do with it, I can assure you.

HOSPITAL SERVICES

Ms. Copps: Mr. Speaker, I have a question for the Minister of Health. The minister was quoted in the press yesterday as having stated that proposals from the Canadian Medical Association for rationing of medical services are abhorrent and not necessary in Ontario where all emergency and urgent cases are treated promptly. We certainly agree on this side of the House that the idea of rationing medical services is indeed abhorrent.

I would like to ask how the minister can say that all urgent cases are treated immediately when we know that in April the waiting time for heart surgery at Toronto Western Hospital was eight to 10 weeks. We know at that same hospital the waiting time for suspected malignant tumours was three weeks. Yesterday I had an opportunity to visit the Huronia Hospital in Midland where patients are waiting an average of three to five days on stretchers in the emergency room before they are admitted. That includes patients who are waiting to be admitted into the intensive care unit. They are being treated on stretchers in hallways and on stretchers in the emergency room.

How can the minister say that adequate medical treatment is being accorded to people who are actually waiting on stretchers in emergency rooms to get into intensive care units?

Hon. Mr. Grossman: On any given day in this province we have approximately 85 per cent capacity in our hospitals. That is about what it should be. It is about the proper average, as any established hospital organization or health care delivery service will tell the honourable member. Obviously if we were running at 100 per cent capacity we would have a problem, and if we were running at 60 per cent capacity we would also have a problem. The question is what level prevents the situation of having a chronically filled hospital on one's hands, which would be the case if they were running at about 95 to 100 per cent.

If one looks across the system, our hospitals are generally running at about 85 per cent capacity. The member could ask hospitals across the province to inform her, as they inform us from time to time, when they suddenly have a group of people who need beds and therefore take the capacity count above 100 per cent. There is no question that will happen on occasion.

Conversely one could build a system that would ensure we would never have a situation where some patients are on cots in an emergency ward for a longer period than we would like to have them. But then the system would have been overbuilt to accommodate the three or four or five days per year when a particular hospital may be at more than capacity.

The member cites the Toronto Western Hospital, but let us be realistic about this. We have thousands of acute care beds in this part of the city. Those patients who have decided they want to have the services of a particular physician at the Toronto Western Hospital have obviously, together with their families and physicians, decided they would prefer to wait for surgery at the Toronto Western Hospital. This is their choice rather than going to another equally competent surgeon at another hospital who would very likely have a bed available on that same day.

Those are medical and personal decisions that have to be made. If one is going to run a rationalized health care system throughout the province one has to accept that some people will make that conscious decision to wait for a bed with a particular surgeon and a particular hospital rather than go literally 10 or 15 blocks away and get an equally competent physician, who no doubt would have beds available on the same day in another hospital.

Ms. Copps: I am not sure the minister got the gist of my question. At the Huronia hospital the

average waiting period in the emergency room is three to five days. In fact the maximum has been eight days. The chairman of the hospital board waited in what they call "purgatory" for three days after she suffered a car accident. She could not even get a bed in the intensive care unit or in one of the other wards. When the minister talks about occupancy rates, I might point out the occupancy rate in the medical ward at that hospital is 120 per cent.

Mr. Speaker: I am waiting patiently for the supplementary.

Ms. Copps: That hospital is not an old hospital. It was built in 1975. Why has the minister not approved, even seven years later, the number of beds that were built and are sitting waiting to be occupied? Why have those beds not been approved in full, even though the hospital was opened seven years ago?

Hon. Mr. Grossman: Having toured the province, the member knows very well there are certain situations where we do not want to fund the opening of more beds unless there is a proven need. If in a particular area the hospital alleges there is a situation that causes an average delay in the emergency ward of a certain number of days, it does not mean the people responsible for advising the ministry in that area confirm that.

We do have planners in that area who report to us. It is our belief that at the present time the situation the member recites is not an accurate reflection of the general state in that hospital. A snapshot of the situation on any given day there, with respect to the member's allegation that it runs chronically at—

Ms. Copps: It's all year.

Mr. Speaker: Order.

Ms. Copps: Talk to the administrator once in a while.

Hon. Mr. Grossman: With respect, not only has my staff communicated on a regular basis with the administrator but my colleague, the excellent member for that area, has drawn the situation to my attention on several occasions. We have talked about the matter—

Mr. Wrye: Then why have you not done anything about it?

Ms. Copps: We know the Premier (Mr. Davis) has a cottage in the area.

Hon. Mr. Davis: I was there to open the hospital. It's a great hospital.

Mr. Speaker: Order.

Hon. Mr. Grossman: And he will be there to expand the hospital.

I am pleased the member noted, though, that there are not two levels of health care for the province. Who was it? The administrator of the hospital?

Ms. Copps: The chairman of the board.

Hon. Mr. Grossman: The chairman of the board. I am pleased to note the chairman of the board did not get preferential treatment in that hospital over any other citizen in that area. That is a good indication that my colleague the member for Simcoe East (Mr. McLean) has all his constituents being treated in a one-tier level of health care delivery, as he would want it.

In all seriousness, the hospital has drawn this situation to our attention, we are concerned about it, and we have recently approved some extra funding for that hospital. My colleague has talked to me at some great length on that matter. We are now reviewing the situation in that entire area.

2:50 p.m.

Mr. McClellan: Mr. Speaker, the minister is aware, as his predecessor was, that a large part of the log jam in our hospitals is caused by the large number of elderly patients who are occupying after-treatment beds because there are not sufficient extended care, long-term care beds available for them.

Since the minister has received the latest report of the Hospital Council of Metropolitan Toronto which confirms the situation has not improved since its report in October 1980, can he tell us, according to the commitment he made to us a few months ago, when he intends to table his plans for additional long-term beds, extended care beds, nursing home beds and homes for the aged and chronic care hospital beds? Will he table those plans with the House so we can at least have the latest set of promises from this government? Then we can hold it accountable when it breaks those promises, as it has broken all its previous promises to build additional extended care beds.

Hon. Mr. Grossman: Mr. Speaker, with respect, I know the member wanted to say that, but this government has not broken its promises in terms of extended care beds. I hope literally within the next two weeks to be able to announce several hundred new nursing home beds for this province, with tenders to be let and proposal calls to go out this year. I believe I will be ready to do that within a couple of weeks. I will be informing the member, the House and at least

the members on this side of the House with regard to where those beds will be allocated.

Mr. Haggerty: I hope it is going to be announced.

Hon. Mr. Grossman: I will announce the ones on that side. The member for Erie (Mr. Haggerty) does not have to worry about that. I may even go to his riding; because of the urgency put on the situation in the Niagara area by the Deputy Premier (Mr. Welch) there will be some beds for the Niagara area in case he is wondering.

Mr. Haggerty: On a point of order, Mr. Speaker: I want to bring to the attention of the Minister of Health that due to the pressure put on by my colleague the member for Brock (Mr. Welch), 20 beds that have been removed from—

Mr. Speaker: Order. That is not a point of order.

WILD RICE HARVESTING MORATORIUM

Mr. Laughren: Mr. Speaker, I have a question for the Premier. Perhaps the—

Mr. Kerrio: Dr. Davis, calling Dr. Davis.

Hon. Mr. Davis: I'm here, I'm here.

Mr. Kerrio: Are you opted in or opted out.

Hon. Mr. Davis: I'm opted in; I'll give you psychiatric treatment any time.

Mr. Laughren: I am trying, Mr. Speaker.

Perhaps the Premier will recall that about four years ago he declared a five-year moratorium on the harvesting of wild rice by non-native people in the area covered by Treaty 3. When he declared that moratorium he stated: "Ontario will extend its efforts to assist Indian licensees to develop appropriate technology and to increase utilization of the available crop with the primary objective of establishing an economic base for the involved Indian communities."

Since that moratorium is scheduled to expire at the end of the current growing season will the Premier make a commitment here and now to extend that moratorium indefinitely?

Hon. Mr. Davis: Mr. Speaker, I believe this matter was raised a week or so ago when we met with a number of chiefs. The prime reason for the meeting was a discussion of their point of view as to how the constitutional change should be taking place, but I think the moratorium was raised by one or two of the chiefs when they were here.

Just a day or so ago I was presented with a rather complete report from the chief in the area. The report, as I recall, is going to the

federal government for its reaction. I also think it is going to Treasury Board, at least this is what he told me.

From our standpoint, I informed the chief we would assess this document carefully. Quite obviously it involves the native people, the government of Canada to a certain extent and probably Ontario. As soon as they have some indication from Ottawa as to its reaction to these proposals he will let us know. In the meantime we are assessing it very carefully.

The question of the moratorium is still under consideration here. This new presentation gives some greater depth to some of the proposals that have been discussed. The moment we have some reaction to this or some further word from the chief himself relative to the government of Canada we will be delighted to communicate it to the member.

Mr. Laughren: Mr. Speaker, I wonder if I could persuade the Premier to think seriously about the extension of the moratorium. Wild rice could very well be the economic backbone of many of those native people's communities. The moratorium has not given the native people adequate time to develop an integrated harvesting, processing and marketing program for their wild rice. I would ask the Premier to seriously consider designating wild rice as an exclusively Indian resource so that the Indian people in this province could use that resource to improve social and economic conditions in many of their communities across Ontario.

Hon. Mr. Davis: From the decision made by the government as to the initial moratorium it was quite obvious we were very anxious to see if this could become one of the stabilizing influences of an economic nature for the native people. We are assessing this now.

The honourable member is suggesting that the length of time was not sufficient. I am not debating that. I think this report will give us some insights into that. Certainly we are very anxious to proceed with this in a constructive way that will be of benefit to the native people.

I think it would be a bit premature, until we get some reaction from the government of Canada. The native people wanted this. They are the ones who said to me, I guess it was on Tuesday, that they were anxious to have the decision of the government of Canada.

This is a point of view that related to some of their discussions on the Constitution as well.

Mr. Van Horne: Mr. Speaker, in a discussion I had with the Minister of Northern Affairs (Mr.

Bernier) the other day on this same theme, the response from him was that the native people should be encouraged to be much more aggressive not only in so far as harvesting is concerned but also in processing and marketing.

Given that the chances of the moratorium not being extended are rather good, that the moratorium will be lifted, can the minister say if the government will give any assistance for the native people to be more able to process and market?

Hon. Mr. Davis: Mr. Speaker, I do not want to give a commitment at this moment because we have said to the native people that we are assessing it. Perhaps the honourable member is jumping to conclusions when he suggests the extension of the moratorium is unlikely. I think that was his phrase; "chances are rather good that it would not be extended."

Mr. Van Horne: That is your own opinion.

Hon. Mr. Davis: I never like to differ with the member for London North, but there have been a few issues where his opinion has been different from mine and where my opinion maybe had greater relevance than his. This may turn out to be one of those cases where his opinion may turn out to be wrong. I say that very kindly.

Certainly, the objective, which is contained in the brief presented to us, of the native people getting more involved in the processing and marketing of this product, is obviously an extension of the harvesting. I know the member is a great fan of wild rice. When he sees the success in some other parts of North America in the marketing of this product and its market acceptability, he will realize there is a great opportunity to have wild rice from Ontario used by more consumers, not only here but in other parts. I know whereof I speak, and I am sure the member shares that point of view with me.

MUNICIPAL ELECTION REFERENDUM

Mr. Epp: Mr. Speaker, I have a question for the Premier. Is the Premier aware that the Attorney General (Mr. McMurtry) has written to the clerk-treasurer of Longlac township indicating that, under the Municipal Act, nuclear disarmament is not a valid municipal issue to put before the electorate?

In view of the fact the Premier himself has acknowledged that this issue is nonpartisan, and in recognition of the profound effect that a nuclear disaster would have on all of our children, will the Premier instruct his caucus to support the Nuclear Disarmament Referendum

Act, 1982, which I will be introducing in the House this afternoon and a copy of which I have sent to the other two parties in this House? Will his party agree to allow speedy passage of the bill so that each municipal council across the province will have sufficient time in which to consider whether it wishes to include the question on the 1982 ballot?

3 p.m.

Hon. Mr. Davis: Mr. Speaker, I know the honourable member himself is a very thoughtful person, and he rarely expects a request from this side of the House that a bill, before its introduction, will receive unanimous support and speedy passage when he has not read the bill. I have never found him doing that; I have never found any members of his caucus doing that.

About 10 seconds ago I was given a copy of the bill that I understand the member proposes to introduce this afternoon. I acknowledge that it is only three sections. It would not take me a great deal of time to assess it, but this is when I saw it, just about 10 or 15 seconds ago.

In answer to the earlier part of the member's question, I am sure he has read the letter sent by the Attorney General. Is that a fair question? I am sure he wants to represent what was in that letter fairly to the members of the House. If he wants to do so he might have the courtesy to read the letter, because perhaps those who hear the letter may get an impression of it that is different from the way he worded his question. He might have the courtesy to do that, or perhaps he might ask the Attorney General what he meant by what was contained in his letter. It may turn out that what he meant was in fact somewhat different from the question the member asked.

Mr. Epp: Mr. Speaker, the Attorney General obviously will have an opportunity to explain his interpretation of the letter if he wishes.

I have a supplementary for the Premier on the same matter, which I regard as very important. Does the Premier recall that on May 13, 1982, he said that if the referendum were to take place, "We do have the responsibility of seeing it is done in a way that will not lead to the potential of the invalidation of the election itself"?

Since the cities of Ottawa and Toronto intend to put this question before their constituencies despite any contrary legal advice, and since at least 20 other municipalities have demonstrated a clear desire to include the question on the ballot, how does the Premier intend to live up to his commitment of May 13?

Hon. Mr. Davis: Mr. Speaker, I tried to follow very carefully what the honourable member was reading. I have a suggestion. Just as a matter of courtesy, when he reads a fairly complex question that has been written out, it might be very helpful to all of us if he would just send it in a few minutes before he intends to ask it. It was hardly a spontaneous supplementary and a matter of this kind is of importance to all of us. If he had sent me a copy of it I might have been able to respond with more particulars.

Mr. Bradley: You mean, read it like a ministerial statement.

Hon. Mr. Davis: I am suggesting a very logical, intelligent way of dealing with some of these matters. I realize that for the member for St. Catharines to think through anything—

Mr. Bradley: I know you have been advised from behind you.

Hon. Mr. Davis: I realize that for the honourable member to think through anything intelligently or logically before he perks up in his seat and says something is asking a great deal.

To go back to the Attorney General's letter: I think he did refer to the validity of a bylaw. I may be totally wrong in this, but I have not seen the letter. As I recall, what I said when it was raised by the member for Scarborough West (Mr. R. F. Johnston) was that my understanding was that it was not a question of whether I agreed with the general thrust of this discussion; I think I expressed the point of view that all members of this House would share this same concern.

I think I said to the member for Scarborough West that I was concerned because the impression I had had was that perhaps it was not legal for the municipalities to do this and that perhaps it would leave open the possibility of invalidating the election itself. That was the point I was expressing.

Mr. R. F. Johnston: Mr. Speaker, the Premier did indicate he would respond to us about the question of legality and perhaps also about the question of whether or not the bylaws could be brought forward. When will he be giving us that information? When will he clear up the situation for us as to whether or not this could invalidate a municipal election? Will he be willing to take steps to make sure it does not, so these referendums can take place around the province this fall?

Hon. Mr. Davis: I was listening but I was also consulting with the Attorney General. I hope the honourable member will understand that.

The Attorney General is the chief law officer and knows far more law than I will ever know.

Mr. Foulds: His record does not show that.

Mr. Speaker: Order.

Hon. Mr. Davis: What do you mean, "His record does not show that"? Of course he knows more law. Don't you?

Hon. Mr. McMurtry: Right.

Mr. Speaker: Back to the question, please.

Mr. Foulds: That is not high praise.

Mr. Kerrio: How about another opinion?

Mr. Speaker: Order. Will the Premier please address his answer to the member for Scarborough West.

Hon. Mr. Davis: Mr. Speaker, I will certainly make my best effort to do so, except that when the member for London Centre (Mr. Peterson) with his Queen's Counsel interjects, knowing how little law he ever knew, I find it hard not to reply.

Mr. Peterson: I couldn't know less than you, so that qualifies me to be Premier.

Hon. Mr. Davis: If knowledge is any qualification for being Premier, the honourable member will never make it.

I would say to the member for Scarborough West, perhaps by early next week we can have an opinion that the Attorney General would be prepared to share with him.

EXEMPTIONS FROM ENVIRONMENTAL ASSESSMENT

Mr. Laughren: Mr. Speaker, I have a question for the Premier. Does the Premier recall that some time ago he promised there would be appointed an advisory committee to his office to look into all exemptions to the Environmental Assessment Act? If he recalls that very firm promise, will he tell us why it has not yet been appointed and when it will be?

Hon. Mr. Davis: Mr. Speaker, I usually remember the commitments I make. If the honourable member can refresh my memory, I would be delighted if he would communicate that refreshment to me.

Mr. Laughren: In writing to several interested groups in the province, the Premier assured everyone that there would be an advisory committee appointed to review all exemptions to the Environmental Assessment Act. If the Premier will listen to the Minister of the Environment (Mr. Norton) for a moment, he will fill him in. I believe names have already been forwarded

from the Minister of the Environment to the Premier in the hope that he would appoint that committee.

Assuming the Premier now knows what he promised, could we have an assurance from him that when that committee is struck, it will be given the authority to review all exemptions to the Environmental Assessment Act, not simply those exemptions that the cabinet decides should be exempted or referred to that committee? Will he assure us that the committee will have the authority to review, in a very public way, all exemptions and not just the ones the cabinet decides it should review?

Hon. Mr. Davis: To be serious for a moment, I am aware of the suggestion that was made. I think it has great validity. I am informed by the Minister of the Environment that the guidelines and structure of this are now being finalized. I expect I will personally be able to see it within the next few days. It may not be this week, but within the next few days.

Mr. Martel: That is like the railroad you were building from Parry Sound to North Bay 10 years ago.

Mr. Speaker: Order.

Mr. Peterson: Mr. Speaker, in view of the fact that the Premier seems to be forgetting some of the commitments he has made in the past and is now relying more heavily on his ministers than he did in the past, would he consider consulting with a gerontologist to make sure everything is all right?

Hon. Mr. Davis: I consult with a number of people. I even listen to advice from across the House. While I really truly do confess to having a more limited memory than the member for London Centre, I do remember those things that are relevant. My ability to remember those relevant things is one reason we are here, he is there, and he is going to stay there until the member for Hamilton Centre (Ms. Copps), the member for Renfrew North (Mr. Conway) or whoever else is lurking in the background tries to get him out in 1986.

GOVERNMENT ADVERTISING

Mr. Bradley: Mr. Speaker, I have a question for the Treasurer. According to the information contained in a publication or report known as the Selective Object Code Expenditure Report, which is produced by the financial information and accounting policy branch, Treasury division, Ministry of the Treasury, total advertising, excluding Ontario Hydro and the lotteries,

amounted to \$40.35 million for the fiscal year ended March 31, 1981, \$23.9 million for 1980 and \$17.9 million for 1979.

3:10 p.m.

Since the election is over and the government no longer has to squander millions of dollars on blatantly political advertising and self-congratulations, would the minister give an undertaking to this House that, as Treasurer of this province, he will insist that the advertising budget be cut by two thirds, thus providing some measure of relief for the beleaguered taxpayers of Ontario, whom he has already attacked in his most recent budget?

Hon. F. S. Miller: I have run into requests from most honourable members of the opposition for information on various programs, as have all other ministers, I am sure. One of the things we have done well and continue to do well is to keep the people of this province informed about the programs in the province, about their rights and general information that is of use to them. I think that is a fundamental responsibility of government in a democracy.

Mr. Bradley: At a time when the Treasurer is asking so many sectors in this province to restrain themselves, and when he is extending taxes, particularly the sales tax, does he not feel it would be a gesture of goodwill, and a good example to the people, if he were to cut that advertising budget, which I think any objective observer would agree is largely for self-congratulatory messages?

Hon. F. S. Miller: Mr. Speaker, I would not do that. We live in a complex society, as I am sure the honourable member realizes from the number of times a week he receives questions at his riding office from people who are trying to sort out what services are available from what level of government. For instance, how many times has a senior citizen come in to inquire about a program?

Dealing with those questions is a major responsibility for everyone in this House. It is essential that we make available to people the basic information they require, and we do that very well.

PETITION

RETAIL SALES TAX

Mr. Ruston: Mr. Speaker, I have the following petition:

"To the Lieutenant Governor and the Legislative Assembly of Ontario:

"We the undersigned beg leave to petition the Parliament of Ontario as follows: We the undersigned most heartily oppose the recent amendment to the Retail Sales Tax Act."

This petition is signed by me, and by 208 others from the Mini Mart in Roseland and area.

INTRODUCTION OF BILLS

MOTOR VEHICLE DEALERS AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Wiseman, first reading of Bill 130, An Act to amend the Motor Vehicle Dealers Act.

Motion agreed to.

REGISTRY AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Wiseman, first reading of Bill 131, An Act to amend the Registry Act.

Motion agreed to.

LAND TITLES AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Wiseman, first reading of Bill 132, An Act to amend the Land Titles Act.

Motion agreed to.

Hon. Mr. Elgie: Mr. Speaker, as part of my ministry's ongoing commitment towards facilitating the French-speaking community's conduct of real estate transactions in its own language, I am pleased to introduce for first reading today the Land Titles Amendment Act and the Registry Amendment Act.

These two acts are administered by the property rights division of my ministry and they currently require that all instruments written in any language other than English must be accompanied by an English translation and an affidavit from the translator certifying its accuracy. Today's amendments will provide for registration of some of these instruments in a bilingual form in designated areas of the province.

Initially, this use of French will be limited to transfer and cessation-of-charge instruments in the land titles systems and to deed and discharge-of-mortgage instruments in the registry system. All such instruments will make use of an approved list of French-English terms, but any additions, such as covenants and recitals not using this list of terms, will still have to be written in English or accompanied by a certified translation.

I would point out that these amendments have been introduced after consultation with the French-speaking community, most particu-

larly l'Association des juristes d'expression française de l'Ontario, and its president, Mr. Robert Paris of Ottawa. We would like to thank the association for its support for these changes.

NUCLEAR DISARMAMENT REFERENDUM ACT

Mr. Epp moved, seconded by Mr. Cassidy, first reading of Bill 133, An Act to authorize Municipalities to obtain the opinions of Electors with respect to Nuclear Disarmament.

Motion agreed to.

Mr. Epp: Mr. Speaker, this bill would authorize municipalities to include a question concerning nuclear disarmament on election ballots. There are a lot of municipalities that would like to put this on their ballots. There are some differences of opinion with respect to the clarity and the legality of putting this on municipal ballots, particularly now that we have the new Constitution for Canada. It is my feeling this bill would help to clarify some of that and, if this House were to adopt this bill, would give the municipalities the clear green light to go ahead and have that referendum during the fall elections in November.

INCO LTD. ACQUISITION ACT

Mr. Martel moved, seconded by Mr. Laughren, first reading of Bill 134, An Act to acquire the assets of Inco Ltd.

Motion agreed to.

3:20 p.m.

Mr. Martel: Mr. Speaker, this bill is really being seconded today as well by my colleague the member for Port Arthur (Mr. Foulds), by all the workers on strike at Inco and even by the member for Sudbury (Mr. Gordon) in one of his previous political charades. And since I have the Premier (Mr. Davis) and his cabinet on my side in the purchase of resources, there should be no problem getting this bill through all three readings in a hurry.

Mr. Speaker: You are supposed to explain the bill.

Mr. Martel: Here are the explanatory notes, Mr. Speaker; the whole shmeer.

The purpose of the bill is to vest the title and control of the assets of Inco Ltd.—and the Minister of Health (Mr. Grossman) will note that it is situated in Ontario—in a crown corporation, the Ontario Nickel Corp., better known as "Pinco." If compensation cannot be agreed upon, provision is made for arbitration.

The objects of the Ontario Nickel Corp.

include the task of operating and maintaining the assets of Inco Ltd. so as to provide employment and other economic benefits to Ontario. The headquarters will be located in Sudbury.

NURSING HOME CARE

Mr. McClellan: I have a point of privilege, Mr. Speaker, which relates to the commitment that the Minister of Health made in question period on Tuesday, June 1, to report on the matters raised by my colleague the member for Windsor-Riverside (Mr. Cooke) with respect to the Willson Nursing Home in St. Thomas.

I raise it because I understand that since Tuesday the management has retaliated against the employees by withholding their paycheques because of the fact that the matter was raised here in the Legislature, and I hope the minister is able to make either a statement to the House or some kind of report indicating what action he intends to take to protect the employees.

Mr. Speaker: That is a point of order rather than a point of privilege.

Hon. Mr. Grossman: Mr. Speaker, I am in your hands in this matter. I do have a response, as I had promised the member for Windsor-Riverside the other day, but in view of his absence today, I thought I would wait until tomorrow morning. If it is the desire of the member for Bellwoods, and with the concurrence of the Speaker, I will give that response right now.

Mr. Speaker: I think it may be more appropriate to deal with it tomorrow.

UNIFIED FAMILY COURT AMENDMENT ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Grossman, first reading of Bill 135, An Act to amend the Unified Family Court Act.

Motion agreed to.

Hon. Mr. McMurtry: Mr. Speaker, I am pleased to introduce this amendment to the Unified Family Court Act, which has the effect of continuing the unified family court project for an indefinite period.

Our experience with the unified family court project in Hamilton over the past five years has been extremely positive. We have been very pleased with reports we have received from the public, and the bar in Hamilton has indicated almost without exception that the court provides an invaluable service to the community in the regional municipality of Hamilton-Wentworth.

The court can deal with all the disputes that

divide a family at one place and time, and it does so both humanely and expeditiously. The judges and conciliators on the staff of the court regularly report to community agencies in an effort to deal with the nonlegal aspects of a family problem and to help the family members through extremely difficult times.

The result is that we are moving, by the introduction of this bill, to make the unified family court a permanent fixture in Hamilton-Wentworth. We are also taking this opportunity to make a few housekeeping amendments to the statute. The Unified Family Court Act contains a self-repeal provision as of July 1. We will be asking the House to approve this legislation before that date.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Gregory: Mr. Speaker, before the orders of the day, I wish to table the answers to questions 93, 106, 129, 149, 154, 165 through 169, 170 and 181 and interim answers to questions 148, 152, 153, 155 through 159, 162, 163, 164, 173, 174, 175, 176, 177, 178, 179, 180 and 182 standing on the Notice Paper [see Hansard for Friday, June 4].

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

VDI OPERATORS' SAFETY ACT

Mr. R. F. Johnston moved second reading of Bill 18, An Act for the Protection of Video Display Terminal Operators.

Mr. Speaker: I would remind the honourable member he has up to 20 minutes for his presentation. You may reserve any portion of that time for your windup.

Mr. R. F. Johnston: Mr. Speaker, I would like to reserve about four minutes, if I might, because it is a very comprehensive bill, which I think will probably raise a number of questions from members around the House.

It is a pleasure for me to introduce second reading of this bill today. It is the only bill of its kind that has been debated in Canada, so we are making some kind of history today. The member for Lakeshore (Mr. Kolyn), like myself, has presented a bill for consideration. Mine happened to come up before his on the Order Paper, but we both expressed interest in this. Interestingly enough, there has been discussion of this in Maine and in Illinois in the past, and just recently there have been hearings in Massa-

chusetts under the House committee on commerce and labour. But this whole discussion is really in its early days. We are receiving calls for copies of this bill from as far away as Vancouver and California. Lately, I have even had a request from Europe to see what we are doing.

The reason is there is a great need for legislation of this kind in the province and, in fact, around the world. What we are dealing with here is one of the issues that strikes at the question of the office of the future and the kind of shape it will take, as technological change has a huge impact especially on the service sector of our society and our economy.

When I introduced this bill last November, our estimation was that there were approximately 250,000 video display terminals in operation around the country. The estimate now is that there must be well over 350,000, and as many as 800,000 operators are working on these machines around the country. The producers of these machines claim they will be increasing their supply of video display terminals in the marketplace by 35 per cent each year for the next three to four years. So there is going to be an incredible flood of these machines, of various standards and quality, around the nation.

We need legislation for a number of reasons.

First, we do not know the extent of the problems this kind of technology can cause, in health and safety terms, to workers. We know some specific things about eyestrain, stress and back ailments, but there are a number of unanswered concerns that are bothering a lot of us, especially a lot of the workers in the field: the effect of the machines on things like cataracts and eye disease in general; glaucoma; the effects of long-term use of these machines, which have really only been used a great deal in the last four to five years, in terms of eye deterioration.

Then there is the horrendous fear out there now concerning the clusters of miscarriages and failed pregnancies, the lack of knowledge as to whether the machines have an effect on these, and the whole concern about the effects of low-level radiation, especially the combination of radiation which the VDT machines emit, even if only in small quantities.

3:30 p.m.

The people who operate these machines are mostly women and mostly unorganized. They work with a wide variety of equipment for which basically there are no standards in this country. We presumed when we brought in health and safety legislation in this province that the office

was a safe place, that there was no real need for discussion of the office in our debate of Bill 70 in 1978.

I think we have been shown to be wrong. The fact is that the toners used in duplicating equipment have materials in them which cause problems and perhaps are carcinogenic. But we cannot get a breakdown of the constituent parts of toners, because office workers have no rights. Even the whiteout material, which is so helpful to the secretarial staff, turned out to have carcinogenic contents and its formula had to be changed.

Just because one does not expect a rock to fall on one's head, as might happen in a mine, there is no reason to believe the office is necessarily a safe place to be.

This is a pretty comprehensive bill, and I expect members to have difficulty with portions of it. I am totally open to amendment to specific portions of it, because this is the first real attempt to try to put this kind of situation in legislation. But there are some principles we discussed in the second reading of the bill which I think it is vital for the House to consider.

People who are working on these machines should not be guinea pigs. They should not be left without protection until we know the total effect of these machines on the people who are using them. In the past we have seen what it was like to presume that lead had no impact on people, and that asbestos had no impact on people, and then to find out, 15 to 20 years later, that they were the cause of cancer in those people.

We have found just recently, in the case of Atomic Energy of Canada Ltd., that there are not adequate safeguards against the low levels of radiation that most of the experts had presumed to be safe, and that people who have been working at Chalk River for years at levels which were supposedly safe have contracted cancer which is considered to be compensable.

We cannot continue to place working people in the position of being at risk until we find out, too long afterwards, that they are in danger.

The second principle of this bill is that there is available today the technology, as well as the administrative capacity, to protect people in the work place. I tried to lay out my bill as comprehensively as possible to include the various administrative measures for protecting individuals.

The third prime principle of this bill is that those who are office workers have a right to a say what equipment should be used and to know

how technological change is going to affect them. They have as much right to protect themselves and to provide themselves with a safe work environment as does anybody in the industrial sector.

I hope those principles are accepted by all. If they are, then because of the lack of knowledge in a lot of the areas of this bill, I am perfectly willing to discuss and negotiate how we implement them. I would love to have this bill go out to committee so that we could invite experts to discuss this whole notion. As my bill is not much different from the one the member for Lakeshore has produced, I would hope he would feel the same way.

One of the sections of the bill deals with standards, a major one being that there should be no sale or lease of new machines that have any radiation other than visible light. There should be pretesting of all machines, and verification of that pretesting should be available to any purchaser. This is technically feasible right now.

It is interesting that any shielding of VDTs that is being done at the moment is almost all in the military field. Both in Canada and the United States there are companies that are providing totally shielded machines to the military. The reason has nothing to do with the occupational health and safety of the operators; it has been found that the low-frequency radiation in those machines is disrupting communications. Because it is disrupting communications in other electronic equipment, full shielding is needed.

Companies such as AES Data Ltd. and Wang are providing this kind of equipment to the military right now. If it can be made available to the military for those purposes, it should be made available to office workers for their protection and occupational health and safety concerns.

It is interesting to note that the Federal Communications Commission in the United States has just set out guidelines requesting shielding for video display terminals and other equipment because of the effect on police communications in several parts of the United States. So an initiative is being taken right now, and the technology is there.

Our bill does not anticipate that every machine out there at the moment needs to be fixed immediately. We do put in a grace period of one year. We also suggest that shielding can be made possible for existing machines in a partial

way for about \$25 and in a complete way for between \$200 and \$400 a machine.

The principle that needs to be stressed is, "If you can protect it, why not protect it?" just to make sure there is no radiation from those machines which might have an effect in the long run on many people in this nation, especially women and perhaps unborn children.

The other factor in this area is that there is a huge turnover of these machines now. With the new technology coming on stream, a lot of the machines currently there will be replaced in the next year or so, or at least that is the suggestion by the industry.

Another principle in terms of standards is that there should be an inspection of machines on a six-month basis. Primarily this has to do with the visual strain, because the tubes seem to deteriorate in about that length of time. Any kind of adjustment of the machine in terms of brightness does not aid the sight of the individual working at that machine. Unless the tubes are replaced, there can be no assistance to those people.

There is a whole range of things concerning adjustability of machines. What is happening at the moment is that they are putting machines on to existing furniture, which is totally inappropriate. That is one of the things that is causing both the eyestrain and the back problems that workers are starting to complain about as the machines are more widely used.

There are standards in here about the flicker rate. I do not want to bore members about the details of those, but it is very important that these standards be met, again for reasons of eyesight deterioration. Then there is the whole question of office lighting and the importance of having good distinction in terms of lighting and, as much as possible, having indirect lighting. Those are some of the standards.

Two important elements of this bill revolve around rest periods for workers and pregnancy exemption for workers on these machines. In terms of rest periods, there is no problem for a journalist, for instance, who is on and off the machine during the day. He may be on the phone, etc. The problem is for someone who is in front of a machine, 18 inches away, for periods of seven, eight, 10 or 12 hours a day, which is happening a great deal.

A case I personally know of is that of a woman who works an average of eight hours a day in front of a machine, with the only break being for lunch. When she leaves work now, most nights she finds it takes her 20 minutes to learn how to

focus past about four to five feet in front of her. She stopped driving home from work as a result of that, because she had difficulty seeing traffic signs and that kind of thing. The problem goes away after 20 minutes or half an hour, but it is severe.

We do not know the long-term dangers involved in this at the moment, but we know the immediate impact on eyesight. There are studies in Europe and the United States that all confirm this. I therefore put into this bill the suggestion that there should be a 15-minute break for each hour worked and that nobody should work for more than four hours in a 24-hour period.

The member for Lakeshore offered another approach to it. He suggested a 15-minute break for every two hours worked and no more than two hours' continuous work on a machine. The National Institute for Occupational Safety and Health in the United States differentiates between people working within high and low visual demands, as it calls them. There are some changes in that area. The Swedish National Board of Health and Safety puts out guidelines for the whole nation, with a four-hour maximum and two consecutive hours as the maximum before one must have a one-hour break.

3:40 p.m.

We in the New Democratic caucus have negotiated a collective agreement with our staff, saying the limit must not exceed four hours total and after 50 minutes there must be a break. We have been able to administer that. I know one of the complaints that may be raised by businesses is how do they, in a small group, organize it in such a way that they can actually have people working for only four hours in a 24-hour day? We found it to be totally possible with only two or three people trained to use those machines in our unit. I think in most offices around the country it would be possible.

Again, I would be open to an amendment on that. The principle that is important is that the break be held. One must have a break to protect the individuals involved.

The question of relief for pregnancy is addressed in the bill. If the worker finds out that she is pregnant, she should have the right to withdraw her services from working on those machines and move to another position with no loss of pay.

The reason for this is a great concern about the clusters of pregnancies that have gone awry and have not come to full term. We know of the most recent case in the office of the Ministry of

the Attorney General. There are many other clusters to which I can allude.

We do not know whether the VDTs affect this, but interestingly enough we have a total double standard about it. In the legislative library, the Speaker has decided that the women who are pregnant need not work on the library machines but can go to other work, yet the Minister of Labour (Mr. Ramsay) will not make that a condition for people in other places in the civil service.

The New Democratic Party caucus does have that as part of its collective agreement. I have a case here, which I will not go into, of a worker in the industrial sector, an office worker with 13 years' experience, who was hassled a great deal because she was afraid to work on a terminal after she found she was pregnant. After a great deal of battling, she won her case; but it is not something that is accepted in general.

We do not know the effects of radiation, we do not know the synergistic effects, and so we have the anomaly of workers in various parts of the province wearing lead aprons at these machines—lead aprons which will not protect them from a number of the radiation effects.

Mr. Speaker, I wish to concede at the moment that I would like my time now rather than breaking my train of thought; so I will take my 20 minutes.

The Deputy Speaker: Fine. Thank you.

Mr. R. F. Johnston: I must say the importance of that section is vital to all of us. None of us feels it is worth while taking the risk of having pregnant women working on these machines and then finding out later that we may be causing birth defects and other difficulties. The right to withdraw one's services and still receive remuneration must be accepted, even if George Jonas in Toronto Life, that neo-Libertarian, will not allow himself to understand this is a principle that should be accepted by society.

We also deal with the need to have eye examinations on a regular basis. This was also in the bill introduced by the member for Lakeshore. The wording in my bill speaks only of ophthalmological testing that must be picked up at the employer's expense. I did not mean to leave out testing by optometrists. I think they would have the same kind of capacity to find the kinds of problems we are worried about, and wording changes could be made there easily in terms of having vision testing on a regular basis, paid for by the employer.

Corrective lenses and glasses for workers must be an accepted expense by an employer

when they are found to be necessary if somebody's eyesight has been affected by his or her work. There must be no personnel screening of individuals because defects of vision are found. What I am talking about here is the notion that a person can have an eye test and in the course of that eye test he would find out that there is a tendency towards glaucoma in the family, and that would be used against the individual who wanted to work on a machine.

All the optometrists and ophthalmologists I have spoken to have said that there are corrective lenses available that would enable almost every individual who might have some kind of sight defect to work safely at a machine and that it must not be used as an excuse to stop somebody from going back to work with corrective glasses.

The other principle I talked about was the power of the workers themselves. Workers in our offices around the province must have the right to have health and safety committees with the same powers as other workers under occupational health and safety legislation. They must have the right to know. They should have this kind of legislation and those regulations posted so they will know what to expect when they are working on machines. They must have the right to withdraw their services, and the burden of proof must be on the employer and not on the employee when there is a concern about a particular machine.

Unless we have that kind of power for the working people in offices and the power to have some say about the acquisition of equipment, then these workers will not have the same kind of rights as others in our society and will be second-class citizens. I think that must be unacceptable to us.

While all this is going on, the other principle that is in this bill is that studies must be undertaken. There is a total lack of epidemiological studies and of studies on the effects of a range of radiation. These machines emit almost every kind of radiation, except atomic radiation, that one can imagine. We do not know the impact of having all those kinds of radiation coming out of one of these machines.

Tomorrow, for the first time in Canada, there will be an international forum on the effects of low-level electromagnetic radiation by video display terminals. It is a beginning, but much more must be done on this.

The government, through this legislation, would have the power to enact that kind of study. Instead, what we have is a task force set

up under the Ministry of Labour which is talking about the health effects of VDTs. The majority of the experts on that panel do not believe right now that low-level radiation has any effect on individuals. They are already biased against that, even though there have been no studies in North America to show this one way or the other.

It is vital that we get at this issue now. The expansion in the numbers of women and men working on these machines around the province will be enormous over the next year or two. This legislation, with whatever appropriate amendments would come out of discussion here and in committee, is the kind of thing we need to protect those workers now and to make sure they are able to work with a feeling of security as offices change over the next number of years.

I ask all members to please join me in supporting the principle of this bill and to help me and my colleagues work on developing this legislation to protect workers in Ontario.

Mr. Kolyn: Mr. Speaker, the various issues surrounding the subject of video display terminals are likely to be with us for a good many years. Concern about the use of VDTs has risen dramatically in the past few years; unfortunately, much of this concern has been fuelled by various fearmongers acting in their own self-interest. The actions of these people have made it difficult for other concerned individuals to be heard.

My own bill to safeguard terminal operators addresses what I feel are the major problem areas with VDTs and is in no way as heavy-handed as the bill we are discussing today.

I do want to compliment the member for Scarborough West for his interest in VDTs. VDTs are a topic of current public concern, and rightly so. Certainly, some of the provisions of this bill are so unacceptable from a scientific viewpoint that a number of people who examined this bill found it quite difficult to take it seriously. I will go into some detail shortly. However, it is a bill that is before us and it must be defeated if we are to remain a serious deliberative body in the eyes of the Canadian and international scientific communities.

Because I am not a technical or scientific expert in the field of VDTs, I attempted to read as much on the subject as I could and to contact a number of knowledgeable people on certain specific matters. What I have read and heard confirms that the VDT debate centres on a few key areas, as the member for Scarborough West is aware.

When dealing with the issue of occupational health and VDTs, two separate areas of concern stand out. The first, which is the favourite topic of the hysteric fringe, is radiation. The second, which I am convinced is actually of greatest significance, is the area of ergonomics and office environment.

With regard to radiation, the distortions and scare tactics that the public and workers have been subjected to have reached almost frightening levels. Booklets and manuals which claim to describe and clarify the way in which VDTs work actually misinform the reader and usually present one-sided and seriously unbalanced viewpoints. In one breath, they say VDTs will be the asbestos hazard of the 21st century, while in the next breath all they can say is that the effects of exposure to radiation from VDTs, if any, are unknown because the levels are so low.

Even after admitting the existence of very low radiation, these people say the real danger might be the synergistic effect; that is, the combined effect of all these minute levels of radiation. Unfortunately for the proponents of this theory, no bit of evidence exists to give even the slightest indication that there is any type of synergistic effect of radiation from VDTs. If one cannot measure it, one certainly cannot legislate it.

3:50 p.m.

I mentioned earlier that I was not any sort of scientific or technical expert on VDTs. Neither is the member for Scarborough West. I have had to rely mainly on material that is easily read and understood, just as my colleague opposite has. I believe both of us—my colleague the member for Scarborough West can correct me if I am wrong—read a publication prepared by the Ontario Public Service Employees Union. The information in it has been presented in a very readable manner, and the writer and editor of this piece should be congratulated for their work.

It was only after I showed this publication to a number of specialists in radiation biology that I was told part 1 of the publication, dealing with radiation, contained misquoted or highly selective evidence, if it can be called that, intended to present only one side of the argument. One comment I received in a letter a few months ago said this part of the report was "an excellent example of how to blend sufficient scientific fact with anecdotal evidence and unsubstantiated evidence in order to produce a propaganda document credible to the naïve reader."

It would seem the more sensationalist articles

proved to be more attractive in the preparation of the booklet than did the drier and obviously more boring scientific evidence. It is really a pity that scientists are not yet considered trendy. If they were, more people might be willing to look at their work.

Returning to the OPSEU report, it did state: "In the absence of firm epidemiological evidence linking radiation from VDTs to health problems, we cannot make conclusive statements about a radiation standard. However, neither is there a scientific basis nor a medically reasonable rationale upon which to base a claim that VDTs are safe."

But radiation has been studied and a medically reasonable rationale does exist to show that there are no radiation hazards from VDTs. Radiation exists naturally, we are all exposed to it at all times, and safety standards for radiation exposure do exist. Field surveys of VDTs can be made with reasonable accuracy, the only problem being that field survey equipment is susceptible to emissions of radiation from outside its range of calibration, which may lead someone to the conclusion that a given form of radiation is being emitted when it is not.

When a series of tests was carried out under laboratory conditions and compared to field surveys, the more sensitive laboratory tests showed readings well below those carried out by the less sophisticated field survey equipment. A great many tests of this kind have led to the conclusion, in regard to VDTs, that radiation is a nonissue.

Writing in the Canadian Medical Association Journal of September 4, 1981, Dr. Ernest Létourneau, the director of the radiation protection bureau of the health protection branch, Department of National Health and Welfare, reported the results of 10 years of testing under his Radiation Emitting Devices Act. His conclusions support those made around the world that VDT X-ray emission is effectively zero as VDTs emit less than 1,000th of the natural background radiation to which everyone is exposed.

The same is true for microwave radiation. The measured level of ultraviolet radiation is reported to be 1,000 times lower than that permitted in continuous occupational exposure or, for that matter, than that found outdoors. Infrared radiation and airborne ultrasound emissions also have been shown to be low, according to Dr. Létourneau.

Finally, electromagnetic radiation below 10 megahertz has also been shown to be low. It should be pointed out that this electromagnetic

radiation is the same as that emitted by a large number of household devices.

Most special-interest groups probably will not be satisfied with the standards calling for anything other than zero radiation. The member for Scarborough West seems to echo these calls in the section of his bill which states, "The terminal shall not emit radiation other than visible light." Perhaps my colleague opposite never took physics in high school and does not realize that the moment the VDT is turned on the current will create an electromagnetic field and that the operation of the machine will create heat, which is also a form of radiation.

The point concerning radiation, for anyone who is at all serious about the subject, is not what is emitted but how much. All available evidence points to the fact that emissions now are nowhere near the maximum safety levels and that there is no evidence to indicate these safety standards must be changed. Keeping this in mind, we can say that VDTs can and do emit a range of radiation; however, the same is true for digital calculators, photocopiers, automobile ignitions and anything else that uses electrical and electronic circuits.

Finally, to wrap up my remarks on the radiation aspect, I would like to cover the effects of VDT and static fields, which my colleague opposite includes in his definition of radiation. Static fields do not radiate energy but, because attempts have been made to link static fields around VDTs to skin rashes, he would like to see this legislation enacted to do away with such fields. However, to do so he will also have to enact legislation to do away with virtually all synthetic clothing, synthetic carpets and dehumidifiers, all of which contribute to static buildup on the tube faces, cabinets, keyboards and desks of VDTs.

As I said at the beginning of my remarks, VDT ergonomics is probably the more important issue and one which my own bill has been formulated to cover. Physical and visual problems are the major problem areas we must examine, as well as some psychosocial ones that are being identified. The introduction of VDTs into the work place can result in a number of significant changes to workers.

The Acting Speaker (Mr. Cousens): The honourable member has used his time. Thank you.

Mr. Cassidy: Not well, but he has used it.

[Laughter]

The Acting Speaker: There will be no response from the gallery.

Mr. Wrye: Mr. Speaker, I want to join this debate and say that I have listened with interest to the first two speeches, by the member for Scarborough West and my friend the member for Lakeshore. The member for Lakeshore has also introduced a bill, which I see in glancing through it is nowhere near as comprehensive as that proposed by the member for Scarborough West. I must admit that, having had a look at the bill and having noted the obvious interest of my friend the member for Lakeshore, I find it very disappointing that he has made the remarks he has today.

I have problems with some individual aspects of this bill, which I have discussed with the member for Scarborough West, and I will enunciate them as I go on. It seems to me, since we are debating second reading, or approval in principle, that we should be speaking to the principle of whether we are going to begin to offer some protection to the growing number of operators of VDTs.

After glancing through this bill, which as I said is very comprehensive, I am persuaded that there are enough good principles here that I for one, if given the chance by this government, shall vote in favour of the bill, and I urge as many of my colleagues as possible to do so.

As I mentioned at the outset, the bill is very comprehensive and thorough. But what persuades me that we need to move in this area is the number of people involved. As the member for Scarborough West pointed out, we now have some 750,000 people involved across the country, and that number increases by the hundreds every day. It is an area that has literally exploded upon us in the past half dozen years or so, and the explosion, by any account one reads, will continue through the rest of the decade and probably through the rest of the century.

4 p.m.

The area I have very little problem with, and I think the honourable member has done good work, is section 4 of the bill. I know my friend the member for Lakeshore spent all his time worrying about a detailed scientific explanation of the radiation levels. I am not an expert in the field and I really have not done a lot of work on it, but I am not persuaded yet that the long-term effects of radiation are proven.

I think my friend the member for Sudbury East (Mr. Martel) is going to have a few words in rebuttal today. I am also not persuaded that

they have not been proven, and when I look back to what we now know about asbestos, I find it rather ironic that my friend from Lakeshore would say the radiation from VDTs is a late 20th-century scare tactic. To compare it with asbestos, I am sure we have heard all of these calm, cool, rational comments that there would be no problem with asbestos—calm, cool, rational comments which in the cold light of the experience of 20 and 25 years were proven to be absolutely wrong.

I think that even if the radiation problem is not there, there are very many other important aspects to the problem. I appreciate that my friend from Scarborough West has addressed them. There need to be many detailed standards of operation for the safe operation of video display terminals. Just about every report I have read, and I have read a goodly number in the last few days, has spoken of it. We are facing problems already, but some years down the road we are certainly going to face an explosion of back problems, of eye problems, of neck problems and all of these things. We must attack the individual standards now in order to avoid these problems. I note that the bill makes mention of most of the important areas.

Each of the aspects of the machine must be individually adjustable—the terminal itself, the copy holder, the chair, and the proper lighting, that very important aspect which is so misunderstood now. There must be proper lighting within the room, the vast majority of it, if possible, being indirect. These are matters which must be dealt with now and I think it is very important that we look at these problems and establish standards right at the outset. From all I have read, I think it is very clear already that we know what needs to be done.

We know that we need good posture. We need a back rest to support the lower back. We need a chair height, as is pointed out in this one report, that is conducive to the horizontal placement of thighs to allow feet to be flat on the floor. We need a desk and keyboard height to allow the horizontal forearm-hand positioning, and the presence of a document holder placed at a similar angle and distance as the VDT to avoid excessive bending and twisting of head, neck and eye adjustments.

We know we need all of those things now. If we do not address them now we are going to address them in an important monetary way some years down the road. In fact, we are going to address them through a lot of discomfort for

workers and that is probably the most important aspect.

I want to talk about section 6 of the bill and my friend from Scarborough West alluded to this. Let me first deal with subsection 6(1) of the bill and that is the 15-minute rest period for each hour.

I am not yet persuaded that in a truly comprehensive bill we should have simplified this one area. I would read from the June 1981, National Institute for Occupational Safety and Health research report, Potential Health Hazards of Video Display Terminals, which says:

"Based on our concerns about potential chronic effects on the visual system, we recommend the following work rest breaks for VDT operators: (1) A 15-minute work rest break should be taken after two hours of continuous VDT work for operators under moderate visual demand and/or moderate work load. (2) A 15-minute work rest break should be taken after one hour of continuous VDT work for operators under high visual demands, high work load, and/or those engaged in repetitive work tasks."

By and large that follows the proposals of a number of other groups, specifically the labour research bulletin put out by the Ministry of Labour in British Columbia. It suggests 15 minutes for every two hours for those working under moderate visual demands, 10 minutes after every hour for operators working under high visual demands. That is an area I would want to amend and would wish to discuss with my colleague for Scarborough West if this bill were to go to committee.

There are two other aspects I should express my support for. First, these must be scheduled breaks. We cannot have breaks that fit the work demand. It is good for the employer that we do so, as well as for the worker, if the employer is interested in it, because otherwise we are going to have a very low level of quality activity after a certain period of time. It is very important that workers have a regular rest for their eyes. Second, it is important that this rest period be taken away from, not at, the work place. This is very important in terms of reducing stress, which is showing up as a very serious problem for VDT operators.

Finally, I suggest another area of concern in that the member spoke about a maximum of four hours in every 24. I have some very real problems with that part of section 6. My friend the member for Scarborough West commented on what was intended in subsection 10(5). I am not yet persuaded that has been addressed fully.

However, I will vote in support of the bill.

Mr. Martel: Mr. Speaker, I have some prepared notes which I propose to throw away at this time, simply based on listening to the member for Lakeshore. Having been in this Legislature for a long time and having been involved in the fight with respect to the workers in Sudbury, some 100 of whom died of cancer in the sintering plant, and never having had the help of people on the government side, I really worry about the nonsense being talked about a crazy scientific study that must prove this is the case. Why do we not err on the side of health and safety for the workers just once in our bloody lives?

I made several trips in and out of Elliot Lake and the member for Algoma-Manitoulin (Mr. Lane) never raised his voice in this Legislature once. We finally prevailed upon this government to introduce a study called the Ham commission on working conditions in mines. We had workers dying all over the place. We never erred on the side of safety and health for the workers; we always erred on the side of scientific studies.

We just recently approved two cases of cancer at Chalk River because of gamma-ray exposure. The workers in Elliot Lake actually sat on the bloody stuff and still do to this day. The Ministry of Labour and the Workmen's Compensation Board will not accept that these men have any exposure at all to gamma-rays. None.

There are scores of workers who either have cancer or have died from cancer working in the mills in Elliot Lake, and we are going to prove it. We are going to have another study and we are going to look at it, and more workers can die—but there are two sample cases where it was all under control at Chalk River. Those fellows in Elliot Lake, who work in the mills, many of whom are dead, are not considered to have suffered any exposure because it was only gamma rays, and our act in Ontario and the Workmen's Compensation Board only cover exposure to radon daughters underground, which cause lung cancer. Well, it is too bad about the rest, is it not?

4:10 p.m.

So I get a little sick and tired when somebody in this Legislature tells me we have to have more scientific studies. That might be the case but in the meantime we should err on the side of the workers and be much more cautious, and this government has failed to do so. It has now listed two items for regulation, lead and mercury, and it should be ashamed of itself.

The acceptable levels of lead adopted by Ontario are three times those adopted in the United States. We are moving workers back into the work place at a level in the blood that is higher than that at which the United States is trying to take them out of the work place, 0.4, I guess, and we are sending them into work at 0.5 and up and leaving in work place until 0.7. When you reach 0.7, I guess, they will take you out; at 0.5 they will send you back in. The American government is moving to take workers out at 0.4, and we are sending them back in at that level.

I worry constantly when I hear this claptrap. Sure, we do not know, and I would ask the honourable member to support us on the history of what has gone on in this province by our failure to know. I say to him, do not force the workers to be guinea pigs; move in to protect them now.

I have heard it all: lead, gamma, sintering plant—you name it. Even the premise on which we use Bill 70, which would tie in with my friend's bill, of course, is that in Bill 70 the onus is on the employer. In this case, I guess, it came from the Attorney General's department, and they did not show any more concern than Denison. Denison had to repaint the mill. Cakes of uranium are yellow and do members know what colour Denison painted the walls? Yellow.

An hon. member: Coincidence.

Mr. Martel: Just coincidence—so it would not show up. The Attorney General's staff did not respond any more quickly, and that is what is wrong with the whole of Bill 70: The internal responsibility system is a pile of nonsense. He moved into a bill of this nature because the employers in this province did not give a damn about how the employees were affected.

Just look at Wilco, Mr. Speaker. With the lead regulations that came in last August, in December of this year 19 workers are hospitalized with lead poisoning, less than four months after the regulations came in. What does the Ministry of Labour do? Virtually nothing. They all sit back and say, "But the internal responsibility system is going to work." That is like asking Evel Knievel to park your car. Bill 70 was introduced in the first place because the employers did not show any concern. The unfortunate part is that the Ministry of Labour does not take the problem much more to heart. I could spend all afternoon documenting case after case.

So the internal responsibility system does not work. We have to give control to the workers, in my opinion, because the ministry is not enforc-

ing the act and the internal responsibility system, which is left to the employers, is not working. They have all the power and all the knowledge, and that is the key: knowledge. The workers do not have knowledge of the chemical content of the substances they are exposed to, and they cannot get it.

Tomorrow morning I will raise a question in this Legislature—I would have done it this afternoon—about a study that the Ministry of Labour has and will not give to the union involved. It has said no categorically. It involves not this ministry but the hospitals. The Ministry of Labour says, "No, we will not give the documentation we have to the Canadian Union of Public Employees so they can tell their workers whether they are in danger."

The knowledge rests with the employer who can hire staff. If he has a union he can hire a little bit. But for those who are not protected by a union—and two thirds of the workers in this province are not—they are out of luck. There is no way anybody is going to protect those workers, and the Minister of Labour (Mr. Ramsay) knows it. He knows full well when it comes time for someone to complain. Where there is no union they do it in writing or by telephone directly to the minister because they are afraid of being fired. Bill 70 does not protect them. He knows it and I know it.

My friend says we need a few more scientific studies. What we need is some laws in this province that are going to protect the workers against toxic substances or anything that might jeopardize their health. I believe Weiler in his last report said that in the next couple of years there will be more people sick from industrial disease than accidents—and the costs will be greater.

We cannot have that to worry about. We have to put laws in place that will err for the first time on the side of the workers. We each only have one life to live and I do not want to sacrifice mine for the almighty dollar—I really do not. I do not know where they think the world is going, but I do not think workers should sacrifice for one job.

I was told I was irresponsible when I said in committee all new products should be pre-market tested—I was told it would slow down the economy slightly. But in the final analysis each of us only has one life and I am not prepared to give mine so some joker can make a lot of money—nor should anyone else. We should err on the side of health and safety; that is where we do it. If it costs a few bucks, so what;

make a few more the following year. But we cannot bring anybody back to life.

I ask my friend, when he comes to vote in a little while, to think very seriously of voting in support. He should not worry that there might be something a little wrong in this bill that my friend has introduced. What we are all here for is to ensure that those in the work place work in safety and without jeopardy. I ask members over there to support that bill.

Mr. Brandt: Mr. Speaker, I am pleased to participate in this debate as well. I would like to make some comments upon the bill that is before us which does purport to enhance the safety and wellbeing of certain Ontario workers, as has been identified by the member for Scarborough West and also the member for Sudbury East.

However, I believe we must examine critically any proposed legislation to determine first of all the need for such a bill. Is there, for example, a deficiency in the present legislation as my friend the member for Sudbury East has argued?

In the case of Bill 18, we look to the Occupational Health and Safety Act which, as members are aware, provides the legislative basis for protecting the health and safety of workers in Ontario.

The member for Sudbury East can complain about that and can suggest that it does not go far enough and he can talk as he has about how much better conditions are in the United States. But I would like to suggest to him—

Mr. Martel: Don't put words in my mouth.

Mr. Brandt: I did not interrupt him when he was speaking; I listened with great interest. But he suggested the standards were much better in the United States and he knows as well as I that the policing of environmental standards in the United States leaves a great deal to be desired. It is not nearly as competent and as efficient as what we have right here in Ontario.

4:20 p.m.

Hon. Mr. Walker: Did you expect him to admit that?

Mr. Brandt: I know he is not going to admit that but it should be on the record and it should be mentioned.

Let me remind the honourable members that this statute contains progressive provisions which assist all parties in the work place to gain access to the information and to participate in the identification and control of hazards. As an

example, it allows a worker to refuse to work under unsafe conditions.

Mr. Martel: They fire them.

Mr. Brandt: He says they would be fired. I would remind members that the act specifically limits reprisals by employers against workers who may refuse to work. He knows that.

Mr. Martel: How many are being protected when they refuse?

The Acting Speaker: Order.

Mr. Brandt: There is a procedure by which aggrieved workers may seek redress for threats or disciplinary action by an employer. The act also provides for broad powers to develop regulations to control specific hazards. In short, we already have a statute which provides many of the rights being proposed in Bill 18. The very existence of this act demonstrates the government's concern that there be no threat to the health and safety of workers because of any working conditions.

With respect to visual display terminals, the Ministry of Labour is, and has been, monitoring them on a continuing basis to make absolutely certain that they pose no hazard. In addition, as the honourable member is aware, a task force on VDTs was established at the request of the Ministry of Labour by the Advisory Council on Occupational Health and Occupational Safety. The council is a joint labour-management body. I am confident—

Mr. R. F. Johnston: It is about to be protested by labour.

The Acting Speaker: Order.

Mr. Brandt: At the moment they are involved, as the honourable member well knows, and I am confident that its examination of potential hazards posed by VDTs will be rigorous and unbiased. This is contrary to some of the comments that have been made from across the floor.

The task force includes, among others, scientists, physicians and a number of other experts, all of whom can bring their particular expertise to bear upon the various aspects of alleged VDT hazards. My colleague the Minister of Labour is awaiting the results of their report. I know he and his staff will review it and its recommendations objectively. I know, as well, that he will not hesitate to take appropriate action, including legislative or regulatory change if there is clear, factual evidence of the need.

There are scientists within the Ministry of Labour who are acknowledged experts with

respect to the questions that have been raised about emissions of various kinds and about working conditions as well.

Ministry staff have tested literally hundreds of VDT units, including about 350 at the Toronto Star and 25 at the Toronto city hall. They have not to this point found one single unit with radiation emissions in excess of present guidelines. In most cases, emissions, as assessed by sensitive measuring equipment, have been below the limits of detection. The ministry's conclusion, in view of this, is that no radiation hazard exists. This position is exactly the same as that of both the Canadian and the US federal health departments.

It should be recognized that the ministry's radiation protection staff makes measurements of radio frequencies, microwaves, low frequencies, static and sometimes ultraviolet emissions as well as X-rays. The accumulated data from all the tests carried out have consistently indicated that emissions of all kinds are indeed negligible.

I understand that in the ministry's field studies—

Mr. McClellan: They used to say that about asbestos.

Mr. Brandt: The honourable member can drag asbestos out and make a parallel between one and the other but I would suggest to him that every scientific study that has been done to this point certainly does not support or prove his case.

The ministry's field studies that have been carried out to this point have been done with machines that are extremely capable of a high level of performance, as good as any we have been able to find anywhere in Canada or the United States. The machines have been tested under various types of conditions as well, at a variety of times throughout the working day—turned on, turned off, in isolation or in clusters, with the screens loaded—

Mr. Cassidy: Have you tried working at one?

Mr. Brandt: No, have you?

Mr. Cassidy: Yes.

Mr. Brandt: That is interesting. For how long? You seem to be in reasonably good health. I would suggest—

Mr. Cassidy: You feel very bad after six hours, let me tell you.

The Acting Speaker: Order. The member for Sarnia has the floor.

Mr. Brandt: Thank you, Mr. Speaker. The members opposite are being provocative and I was responding.

The Acting Speaker: I suggest you carry on with your presentation.

Mr. Brandt: In short, units of a wide variety of makes, models, ages and modes of application have been tested in a wide variety of configurations and the measurements have uniformly shown emission levels to be of no significance as a possible health hazard. I might add that the Ministry of Labour's monitoring equipment is acknowledged as being state of the art. If the honourable member knows of better equipment, please advise us.

The ministry makes its information and expertise widely available. Staff have consulted with health and safety committees, safety associations, unions, employers, workers and the general public to provide guidance with respect to the expressed concerns of each of those groups. I believe the ministry has demonstrated a responsible, credible, scientific response to questions that have been raised and its findings have been made freely available.

Today we are debating legislation which appears to ignore current government initiatives. Frankly I worry about the effect of raising, unnecessarily, the level of public concern about VDTs, perhaps to the point where the level of concern itself may cause health problems. Changes such as those proposed in Bill 18 should be considered only if there is clear evidence that they are really needed.

The Acting Speaker: One minute.

Mr. Brandt: In the light of current experience of the Ministry of Labour and given the existing provisions of the Occupational Health and Safety Act and regulations, and unless the report of the advisory council task force indicates otherwise, I must conclude that special statutory control measures with respect to the use of VDTs are not necessary at this time. I am confident that the workers of this province who operate VDTs are well protected by the broad provisions of our present legislation. Therefore I would urge members not to support Bill 18.

Mr. R. F. Johnston: I gathered that.

Mr. Brandt: Did you gather that during the course of my discussion?

Ms. Copps: Mr. Speaker, with the kind of rationale just exhibited by the member for Sarnia I can understand why the minister of noninformation, the Provincial Secretary for Justice (Mr. Sterling), is having such difficulty getting his nonlegislation through not only his cabinet but through his caucus. To suggest that giving information to the people of this province

may be injurious to their health indeed stretches my imagination and the imagination of all honourable members of this House beyond all possible bounds.

The honourable member has also stated in this House that there is no scientific information which lends any credibility to some of the problems pointed out by the member for Scarborough West. I suppose the member has not taken a look at the material provided through the research facilities of the legislative library—87-106 is the catalogue number, if he is interested—which gives us some of the findings that were published over a year ago by the US National Institute of Occupational Health and Safety. There they state specifically, clearly and categorically that the major finding of the investigation is:

"Working with VDTs is associated with high levels of job stress and certain types of health complaints in a selective manner. Clerical VDT operators showed much higher levels of visual, muscular, skeletal and emotional health complaints as well as higher job stress levels." A column follows the portion I have quoted, indicating the level of problems related to skin rashes, etc., etc. I would point out to the member that 91 per cent of those clerical workers who were working on a regular basis with the VDT operations suffered from eye-strain.

I have only one objection to the bill. Since the proponent of the bill is in the House now I must point out that from the point of view of nonsexist legislation, the employer should not necessarily always be a "he" and the operator always be a "she." Although it is quite evident that in 1982 most people who would be positively affected by this VDT legislation are women, we are hoping that if we can get into some positive, nontraditional job opportunities in this province in 1986, this may not be the case.

4:30 p.m.

When this esteemed legislation is passed we would like to make sure it remains in law and in force until 1990 and beyond, and that "him/her" should be both employer and operator of the terminal.

I am happy to see the number of women in the gallery today. I would like to point out for the information of those members who do not in their wisdom feel they should support this legislation that they must consider the number of people working out in the field with this type of equipment who are facing health hazards on an almost daily basis.

The members can turn to an article which appeared in the March 11 issue of the *Toronto Star* which states: "Thousands of Canadians operate video display terminals every day. Although doubts have been raised about dangers from prolonged use, scientists maintain they are perfectly safe." They said the same thing about DDT and the pill.

Most of the members have been aware of cases which have been raised recently, including the more famous federal case in which an abnormally and significantly high number of miscarriages were suffered by a number of employees working in a federal office where they were working predominantly with VDTs. I would ask the gentlemen of the House to put themselves in the position of these women. If we had a number of men in this country who were facing possible sterilization as the result of video display terminals, I would suggest that the members of this House might be a little quicker to act on a situation such as this.

Mr. Brandt: The present legislation does the same thing and you know it.

Ms. Copps: Unfortunately, it is not only as it is, it is as it is seen to be. The member himself stood in this House and said there was absolutely no danger and absolutely no problem. It is for that reason he will not go the extra step to protect those in this province, predominantly women, who are working with VDTs.

Mr. Brandt: Talk about being sexist.

Ms. Copps: I am not being sexist. I say to the member for Sarnia, I am suggesting that most of the people who are faced with this problem are women in their child-bearing years. In fact, if, as the member has stated, there is no problem, then there should be no problem introducing this legislation. It merely states that there must be no significant levels of radiation beyond the radiation that would come out of the light from the terminal.

Obviously, this legislation lays out clearly the limits which must be regarded in the use of a VDT in any office or company. If there is no problem and if VDTs are not a health hazard, why are the members on the government side afraid to embrace this private member's legislation? It is private member's legislation which is a recognition of the spirit of a problem that has afflicted many women in their child-bearing years across this province.

I believe the problem is going to show up in greater proportions in the years to come. Government members who have not endorsed this

legislation are merely turning their backs to it. I would ask them to throw aside all political ramifications. Let us suppose they had a daughter or son who was going to work in an area where there was a VDT.

There is a situation where an employee of the Ministry of Education is forced to go to arbitration because her doctor told her she should not be working before a VDT during pregnancy. The arbitrator ruled in her favour. She is an employee of the Ministry of Education of this province, presumably an enlightened ministry, which is concerned about the effects of VDTs, particularly upon pregnant women. Why should she have to go to arbitration?

What happens to the hundreds of thousands of people across this province who do not have collective bargaining, who do not have the right to arbitration and who, in many cases, are not aware they could exert political pressure so they would not have to work before VDTs?

There is no doubt in my mind that the spirit of this legislation should be embraced by every member, including those who may have relatives working in front of VDTs. Even journalists, for heaven's sake! Anybody in the journalistic field these days is usually working before a video display terminal.

In future years, when we take over the government after the next election, some members may have to go on to other callings. Bearing that in mind, some members may have to go on to greater occupations, like Stephen Lewis and our esteemed former member for—

Mr. McClellan: Stuart Smith.

Ms. Copps: No, Stuart has not gone into the journalism field yet. Come on, who is the doctor on CITY-TV? Morton Shulman.

All the members at some point in the future may be sent out to pasture with CITY-TV or into the journalistic field and themselves have to work before VDTs. I ask them to think of themselves, to think of the impact this may have on their own health and the health of their sons and daughters in the future.

We all know that private members' bills do not always become law. We know the government is looking at this question, and we commend it for recognizing there is a problem. If members on the government side embrace the spirit of this legislation, I believe they will be showing the people of this province, particularly the women who predominantly work at the moment on VDTs—although we hope this will change with the introduction of more nontradi-

tional jobs—that they are indeed fighting for their rights and their health in Ontario.

I hate to agree with my friend the member for Sudbury East, but I think he said it best when he said that one has to consider each individual person's health. The health of the people in this province is certainly more significant than any kind of one-upmanship to determine whether the Minister of Labour will bring in the first legislation or the member for Scarborough West.

In keeping with the concern the members have expressed as a result of the realities of March 19, 1981, and in keeping with the concern they must have for the people who have to work on VDTs, I ask them to embrace the spirit of this legislation and to endorse the private member's bill proposed by the member for Scarborough West.

Ms. Bryden: Mr. Speaker, in the few moments I have, I would certainly like to support this bill, because it fills a great vacuum in legislation in this province. There is no general requirement for pregnancy transfers in the case of people working with VDTs. There are no compulsory eye tests. There is no particular standard set on VDTs, or only general radiation standards which do not apply. There is a vacuum in legislation.

All we got from the Attorney General (Mr. McMurtry) when it was pointed out that 52 per cent of the pregnancies in one of his offices in the old courthouse had resulted in miscarriages was sarcasm to the effect that the New Democratic Party seemed to have a monopoly on concern in this area. It is time he showed some concern.

We need the kinds of things that are in this bill and we need much more research. Until we get the proof of whether the hazards are as great as they appear to be from some of the reports, we should play it safe. We should make sure people are not subjected to the hazards to an alarming degree, that there are rest periods and that all the provisions in this bill apply. I urge the honourable members to support this pioneering legislation.

Mr. R. F. Johnston: Mr. Speaker, on a point of order: I wonder if you would clarify for us why the Speaker ruled that the women in the library who work on the VDTs need not work on them if they were pregnant. Would you have any idea why that was decided?

The Acting Speaker: That is out of order. We

are in private members' hour and ready for the next order.

4:40 p.m.

DAY CARE AT QUEEN'S PARK

Mr. Shymko moved, seconded by Ms. Fish, resolution 24:

That, in the opinion of this House, the Chairman of Management Board of Cabinet, in collaboration with the Provincial Secretary for Social Development, the Minister of Community and Social Services and the Minister of Government Services, should set an example to the private sector by immediately examining the feasibility of establishing appropriate self-financing facilities for day care in the work place or other desired day care arrangements for the Ontario government's parent employees in the Queen's Park complex; that the day care facilities and services' feasibility study should be conducted in consultation with concerned parent employees, the Ontario Public Service Employees Union and the women's bureau of the Ministry of Labour; and that, in the opinion of this House, any recommendation from these ministries should be received and acted on by this House within one year following the adoption of this resolution.

The Deputy Speaker: I would like to point out to the member for High Park-Swansea (Mr. Shymko) that his motion was seconded by the member for St. George (Ms. Fish). She is not here, so I would suggest that the member for Lincoln (Mr. Andrewes) second the motion.

Mr. McClellan: On a point of order, Mr. Speaker: While the honourable member is trying to figure out how to get a seconder for his resolution can the Speaker advise us who is filming the proceedings this afternoon?

The Deputy Speaker: I would love to advise you, but I cannot personally. We will try to find out.

Mr. T. P. Reid: Mr. Speaker, on that point of order: It is not the usual practice, to my recollection, to televise these debates. I am not sure whose camera that is, but I am informed, perhaps incorrectly, that the camera operator may not be a member of the press gallery I think it is incumbent on you to find out immediately what the situation is.

I gather that the honourable member wants his words of wisdom to be taped; I cannot think of anybody else who would want to watch it. In any case, I will continue talking while you are trying to arrive at a decision.

The Deputy Speaker: As fate would have it so quickly, it is my understanding that the director of the office of administration, Mr. Fleming, who is in charge of such things, has given approval for filming. Apparently, under the facilities available to all honourable members through the government members' service bureau, this is available for members if they so wish.

Mr. T. P. Reid: Further to the point, Mr. Speaker: When we brought television into the House it was by an all-party agreement, and was under the aegis of the Speaker, who would decide as to how the cameras, the lights and so on were to be placed. To my recollection this has not happened before under these circumstances.

With respect, it is not up to Mr. Fleming, who believes he really runs not only this House but probably the province of Ontario and other jurisdictions; it is up to the Speaker to give or withhold permission on these sorts of matters. I suggest to you in the strongest terms that it is a breach of the understanding we have had in regard to the filming of private members' speeches, and it should not be allowed at this time.

Mr. McClellan: Further to the same point of order—

The Deputy Speaker: May I make a comment? Then I am still willing—

Mr. McClellan: I wish to speak to the point of order before you—

The Deputy Speaker: I am going to listen to all members, that was all. I am willing to listen to all members further to the problem we are having.

My immediate response is that I am very sympathetic to previous agreements among all parties with regard to the filming of private members, and I realize that this is the first time. I am extremely concerned about it, of course. We will bring it to the attention of the Speaker.

On the other hand, I can think of occasions when members of the press gallery have been allowed to be at various locations in these chambers taking pictures at all times of the day. In my legal jurisdiction one could extend the taking of pictures to those taken on a more rapid basis, as in filming; hence, he is merely taking a whole bunch of fast pictures.

Hon. Mr. Gregory: Speaking to the point of order, Mr. Speaker—

The Deputy Speaker: To the government House leader, I wonder if we might have members go in rotation, because I think this is an important issue. I will recognize the member

for Bellwoods, and then I would be willing to hear the House leader.

Mr. McClellan: Thank you, Mr. Speaker. I must insist in the strongest and most unequivocal terms that the lights be turned off and that this filming be terminated. By tradition, the arrangements in this Legislature are very clear; it is a complete abrogation of those arrangements that one member, a member of the government, would have the benefit of a television camera and lighting facilities that are positioned only to benefit him and in a way that they cannot carry the rest of the debate. This is not a TV studio for the public relations purposes of individual members.

It is intolerable that the situation be allowed to continue. If the television coverage of this assembly has deteriorated to this point, perhaps it is time the entire arrangement should be taken under review and the same kind of control procedures brought in as exist in the Parliament of Canada, under the sole jurisdiction of the Speaker. This is a travesty that may please the grinning member for High Park-Swansea, who can use it for his own convenience on cable TV, but others are speaking in this debate and if the member wishes to have a debate recorded, he can have the entire debate recorded.

Hon. Mr. Gregory: Before the member for Bellwoods has a stroke, I am not speaking for or against the taking of pictures, I am merely suggesting that a review of the minutes of the Board of Internal Economy might reveal to him that this is quite in order.

The Deputy Speaker: Could you expand on that for me? Is it in order? Have the other House leaders, the member for Sudbury East and the member for Brant-Oxford-Norfolk (Mr. Nixon), indicated that?

Hon. Mr. Gregory: I believe there was a minute—I cannot recall it but I will certainly have it looked into—which allowed for photography from the gallery. I suspect Mr. Fleming is probably acting under the jurisdiction of the Speaker.

Ms. Copp: The Speaker did not even know about it.

Hon. Mr. Gregory: The Deputy Speaker does not know about it but I am not sure the Speaker does not know about it. That is what I am asking. I would like information.

Ms. Copp: If the Speaker is going to allow this filming to continue under this particular circumstance, then I can only anticipate that every speech made by every member over the

next four years will be allowed to be recorded. That has been a subject of much debate in this House. To date, the government has not been willing to go ahead and film debates on an overall legislative basis.

I cannot understand how, in his wisdom, the Speaker or the Deputy Speaker, who is in control of this chamber, would allow an individual member to have his speech taped while the rest of us cannot participate in the debate in an equal fashion. That is certainly presenting a very distorted, one-sided view of the debate to the public. Anybody with any kind of journalistic background would realize that to get the message out to the public, one has to hear all sides, not simply have a camera focused on one member.

If the Speaker allows this to continue, I have to say that we in the Liberal Party could not stand for it and could not agree to participate in that kind of debate.

Mr. Ruston: On a point of order, Mr. Speaker: There was a similar occurrence with regard to the recent budget. We were advised in our caucus that a TV crew was going to set up one camera only. We promptly sent a note to Mr. Fleming, who saw to it that there were two cameras. If there are going to be two cameras, fine; otherwise, we should adjourn the House until the matter has been settled.

Mr. Ruston moved the adjournment of the House.

5:07 p.m.

Mr. Speaker: We are dealing with Mr. Ruston's motion that the House adjourn.

All those in favour will please rise.

All those opposed will please rise.

The nays are 75. Apparently there are several members who have chosen not to vote. Everybody must vote in the chamber.

I will ask those who have not voted, who may be in favour, to rise.

All those opposed, who have not voted, will please rise.

Ayes 2; nays 75.

Motion negatived.

Mr. Speaker: The problem before the House is one of a camera in the gallery. The lights, as has been pointed out to me, are still turned on. I would ask the camera crew in the gallery to please remove its equipment and the Sergeant at Arms to turn out the television lights.

Mr. Shymko has moved ballot item 15 standing in his name. I point out to the honourable member that he has up to 20 minutes for his

presentation, and he may reserve any portion of that time for his windup.

Mr. Shymko: Mr. Speaker, I would like two minutes for concluding remarks.

I am very pleased to be able to present this resolution to the honourable members for debate today. Day care has been a priority of this government for a very long time, and I think the time has come for the government of Ontario, as an employer, and I stress "as an employer," to set a progressive example for the private sector and to consider setting up work-place day care facilities at Queen's Park.

I believe that day care is an important social responsibility—perhaps the importance has been demonstrated by the attention this issue has received today—and that work-place day care gives the employer the opportunity to provide employees with an essential service. I emphasize "essential" because there are more than 750,000 children under the age of six in this country who have working mothers. Many statistics could be quoted in this debate to stress the importance of day care.

Honourable members here today may recall that I have regarded day care as a top-priority issue since the voters of High Park-Swansea elected me as their representative. When I addressed this House in May 1981, I expressed my commitment to day care and the way I thought this issue should be addressed.

I should like to take a few seconds to remind some of the more forgetful members of the views I expressed a year ago, when I said: "The focus on day care should be shifted away from a social service perspective and into a labour perspective. There is absolutely no reason why labour unions could not work with management in establishing day care facilities in the work place."

We have countless examples of how this works in Japan, West Germany, Sweden and in this province as well. The proposal I am making today is consistent with these views. My commitment to encouraging private sector participation in the day care area continues. I believe we can provide impetus or, more precisely, an example to the private sector. I believe, therefore, that the Ontario government should consider offering its employees at Queen's Park a day care facility.

I want to make it clear that this is not a step towards establishing universal day care. That may be the case 20, 30 or 50 years from now, but I firmly believe that we cannot afford the social and economic costs of such a policy today.

What I advocate is stimulating a diversified self-financing network of facilities in which the responsibility for day care is not a public burden but a responsibility shared by all sectors of our society.

Members will recall that, a few months ago, an organization that is well known to the members, the Ontario Coalition for Better Day Care, specifically supported this concept when it said, "In a responsive child care system there should be flexibility to allow working parents to select the type and location of child care that meets the needs of both parents and child." I am talking about that selection process, that flexibility and provision for options.

The coalition, in another of its resolutions, said, "Unions and management should take initiatives to create work-related child care programs where feasible." This, I remind members, comes from an organization that essentially supports universal day care.

I foresee setting up a facility where Queen's Park employees can obtain quality day care close to their work place at a reasonable cost; where government, as an employer, initiates an important partnership with employees by providing essential facilities that can be used by staff. It is perhaps a fortunate circumstance that in today's *Globe and Mail* there is the following reference to this topic:

"The Speaker of the Ontario Legislature, John Turner"—yourself, Mr. Speaker—"has been asked by Metro council's community services committee to follow the example of city hall and set up a work-place day care centre for employees in the provincial Parliament buildings . . ."

Believe me, I had nothing to do with that announcement in the *Globe and Mail*. However, it is obvious that many members opposite share my view that this issue is an important one.

5:20 p.m.

I believe that work-place day care would be of great benefit to civil servants with families. I also firmly believe its benefits would extend beyond the users who would have direct involvement with the centre. I see it as an acting model—as I pointed out earlier, an example for the private sector. Other employers will then have a chance to see how day care in the work place operates. Companies and organizations can then adapt our example, our model, to meet their own needs.

There are those who still believe the family unit is the only option that families have today for the care of their children. I think most of us

here today realize that the traditional view of a family unit, that of one parent working and the mother providing traditional family home care services to children, is no longer viable. Society has changed drastically. Statistics demonstrate today that more and more women are participating in the work force.

We had a bill before us earlier today which constantly made reference to the needs of women in the work place and some of the concerns they share. I would like to talk about that changing society and the demographic change in the labour force.

The number of Ontario women working outside the home has increased dramatically in the past two decades. In Ontario last year, almost 72 per cent of women aged 20 to 44 years of age were active in the labour force. At one time, women in the child-bearing age group were associated with a temporary or sometimes permanent retirement from the work force, but in the past 20 years we have seen a dramatic reversal of this pattern.

About 80 per cent of all children born in North America today are born to women between the ages of 20 and 34. In the past 15 years alone, the participation in the work force of women in this age group has increased by 65 per cent.

Statistics show a sharp increase in the number of married women working. In 1951, only 15 per cent of married women in Ontario worked outside the home. Today, 60 per cent of working women in Ontario are married. It is imperative that members realize we can no longer assume a woman will work only until she marries or has her first child. Last year, 663,000 women working in Ontario had a child under 16. It has also been demonstrated that more women are returning to work sooner after the birth of a child.

A significant number of the households we are referring to are those in which both parents are working. To survive in today's economic circumstances both parents have to work. In 1980, in 30 per cent of Canadian families both parents held full-time jobs and in 41 per cent of Canadian families one spouse worked full-time and one part-time.

We must also note that there is another change in society, a sociological change effected by a lot of circumstances and social forces at work. I refer to the number of one-parent families in Ontario which is increasing dramatically.

Between 1951 and 1976 the number of single parents in Ontario almost doubled, accounting

for well in excess of 200,000 Ontario families. Projections indicate that the number of single-parent families in Canada will increase by 84 per cent by the next century. That is another sociological change we must take into consideration when we talk about day care facilities.

It is a fact that the majority of one-parent families in Ontario are headed by women. Statistics show it. Just to take a look at the 1976 data, they demonstrate that well over half of this group actively participates in the labour force on a full-time basis.

While we see more women shouldering both family and career responsibilities, it is anticipated that the number of male-headed, single-parent families is also on the increase. It is estimated that the number of single-parent families with a man at the head will increase nationally to account for 180,000 families, or 1.6 per cent of Canadian households, by the year 2000.

There is little doubt that the participation rate of women in the work force will continue to grow.

With the growing numbers of one-parent families and two-parent families where both spouses work, we can no longer regard day care as a woman's responsibility or a woman's issue. Day care is a responsibility that is shouldered by working parents of both sexes. As spouses become full partners in the work place as well as at home, we must shift our attitudes away from traditional home care models and heed the changing needs of Ontario families.

There are those who still believe that this is not a traditional way to bring up one's children and that the primary responsibility for day care rests with parents. I am not questioning that in any way; there is no doubt that mothers cannot be replaced by strangers. However, if they are to fulfil their responsibilities at home as well as at work and in their professions, and carry on productive and meaningful lives, parents need a little help. That is all we are talking about: helping those who try to help themselves but, under existing economic circumstances, have serious difficulties.

Whatever opposition critics may say, I am proud to state that this government already provides one of the most progressive and well-developed day care systems in North America. This government provides Ontario families with vital assistance in the important task of child training.

I will not mention the government's achievements and the need for progressive additional

assistance except to say that the commitment of this government to ensuring that the people of Ontario have access to high-quality day care services is reflected in the growth of day nursing expenditures.

As chairman of the standing committee on social development, which is examining the estimates of the Ministry of Community and Social Services, I have noted that this year the Ministry of Community and Social Services has allocated \$75 million to sponsor diversified day care services and initiatives. This represents a significant increase over last year's allocation of \$11 million and certainly is a far cry from the \$3-million expenditure ceiling of 11 years ago.

The government of Ontario has also taken an active interest in finding suitable day care to meet the individual needs of its own employees. It is not much, and there may be some criticism, but in 1976 a day care counsellor was hired to provide information, advice, service and counselling to provincial employees throughout Ontario. Our counsellor liaises with the Ministry of Community and Social Services and municipal day care counsellors in Ontario and maintains an up-to-date register of available space. It was a first step in an important service and one that has been very beneficial to the employees of the Ontario government.

We are providing leadership in the day care field. However, I believe sincerely that we can do more. I hope this belief is shared by all the members of this House.

The crisis facing the day care industry today is the lack of available spaces. A recent survey conducted by the Bureau of Municipal Research indicated that the length of the waiting lists for day care in Toronto amounted to 23.5 per cent of existing day care spaces in the entire city. So there is need for additional day care spaces, and it is a need that will not abate.

I believe this need will be best met by promoting work-place day care as a further option because of its flexibility and by encouraging active private sector participation. I believe the government can play an important stimulative role by adopting this resolution and supporting the concept of work-place day care.

From the viewpoint of the employer as well as of the employee, work-place day care makes good sense. That is my opinion, and I hope it is shared by the majority of members of this Legislature. It puts the onus on the parties that have a common obligation to come together, and it encourages a partnership—I stress the

word "partnership"—of action that benefits all concerned.

The parent-employee gets the benefit of stable quality day care at a reasonable cost close to the work site. The location becomes an advantage as it fosters a closeness between parent and child. It gives them the opportunity to visit one another during the lunch breaks and while travelling to and from work. As I am sure members can appreciate, the time we spend with our family is very precious.

The decrease in separation between work and home life fosters the relationship between parent and child. Work-place day care promotes that relationship as it reduces the tendency to belittle the significance of child care as work for adults.

The Deputy Speaker: Two minutes.

Mr. Shymko: Mr. Speaker, are you telling me I have only two minutes?

5:30 p.m.

The Deputy Speaker: Plus the three minutes.

Mr. Shymko: I would like to point out that work-place day care would enable the private sector to demonstrate its leadership and make an important contribution to Ontario families. All it takes is a little planning, a little organization and a little initiative.

I believe it is the responsibility of employers to assist in the general welfare of those they employ, and we have seen examples of the greater social responsibility that employers are taking on today. Even union leaders are realizing it. Today more labour agreements, for example, are dealing with working conditions as well as wages and benefits.

I believe day care services are an important part of working conditions. In my opinion, assurances of a stable day care facility would contribute to the quality of working life in Ontario. The kinds of arrangements that can be worked out to provide these important services and promote a healthy working environment are various. We know that work plus day care is an adaptable idea, and one of its most attractive assets is the adaptability that we see in a lot of interesting and excellent models.

Today industry is facing tough economic times. It may not be feasible for many companies to give the pay raises this year that employees have come to expect. Management must therefore look to other benefits that it can give its employees.

The Deputy Speaker: Time.

Mr. Shymko: I believe that work-place day care can and should be one of the benefits management should consider providing.

The Deputy Speaker: Three minutes are reserved.

Mr. Boudria: Mr. Speaker, it gives me great pleasure to participate in this debate concerning a day care facility at Queen's Park.

I do not feel the member for High Park-Swansea has come up with a very original resolution. He is surely aware of and has probably been reading my press releases over the last six months in order to come up with this idea. It has been said in Liberal circles that he has the originality of a photocopying machine. The government members know this is not an issue they have stood for very strongly in the past.

Mr. Gordon: There is nothing original in this life anyway. You know that.

Mr. Boudria: I think I hit a tender nerve, Mr. Speaker.

We of course are in favour of having a day care facility at Queen's Park. After all, we are the ones who have been talking about it for the last six months. But there is just one point that puzzles me somewhat, and that is the issue of self-financing. I had hoped the honourable member would elaborate on exactly what that means—that is, whether he wanted to evaluate the square footage of the facility or something like that. I certainly hope that is not what he means. I think a more appropriate wording would have been that the service be provided at reasonable cost rather than the expression that is used there. Nevertheless it does not change the general principle of having a day care facility at Queen's Park, and we are for that.

I just want to refresh your memory, Mr. Speaker, and I know you will want me to do this. The throne speech talks about the government's commitment to day care. His Honour the Lieutenant Governor read this to us on March 9. I quote: "This commitment will be maintained, recognizing that the government must work in partnership with others such as parents, municipalities and the private sector." This means the government in the throne speech advocated more work-place day care.

With this in mind I issued a press release not long afterwards—I believe it was on March 12—requesting the participation of all those who work for the government and asking them if they thought we should have a day care centre at Queen's Park. I have a little letter here that I wrote to people in a very nonpartisan way, and I

will read it. It is a copy of a release which I believe will be self-explanatory:

"I am writing to all affirmative action program managers requesting their co-operation in making the employees within their jurisdiction aware of the attempt to establish day care requirements within government departments and agencies. For further information please contact me."

I included a little application form that said, "Yes, I am interested in day care at Queen's Park" and asked for the number of children. There was no other information on that.

Regarding the reply from that, I could illustrate what kind of hypocrisy we are witnessing here today. I sent that communiqué and form to all departments. Most departments wrote back telling me they could not participate in my questionnaire. I will read one example, signed by John D. Hilton, Deputy Solicitor General. He writes:

"Dear Mr. Boudria: Your letter of March 29 to Miss Vicky Pullam, this ministry's affirmative action program manager, has been referred to me for a reply."

Of course, the affirmative action program director could not reply to this herself. It is such a hot issue, she had to get permission from the Deputy Solicitor General. I read on:

"I am not in a position to direct that your communiqué be circulated to staff of the ministry unless we receive authorization through the Civil Service Commission."

Can the honourable members imagine that? The deputy minister could not make the decision whether my questionnaire should be sent to the women working for that department. That is the kind of commitment the government has towards day care at Queen's Park or any other place for that matter. They should be ashamed of themselves.

There are three or four other letters all saying the same thing. Let me put the icing on the cake. I am sure this is what the members want. On April 29, almost six weeks ago, I wrote a letter to the Premier (Mr. Davis). Before I read it, I would like members to remember that despite the government's reluctance and in many cases an outright refusal to allow its employees to participate, I received some 75 replies from employees.

In order to get those replies, I had to send a researcher into the offices around Queen's Park to put the notices up on the bulletin boards without the approval of the heads of departments of the government. Notwithstanding their

reluctance, I received 75 positive replies. That will illustrate there is a need for such a facility.

I wrote a letter to the Premier on April 29 and this is what I said:

"Dear Mr. Premier: As a result of the statement in the throne speech that the government of Ontario has demonstrated a major commitment to meeting the need for day care services, on March 10, 1982, I issued a press release which incorporated a questionnaire on day care needs for employees at Queen's Park."

I go on to describe the number of responses I had and the fact there are precedents for this. There is a Riverdale Hospital day care centre and Hester How Day Care Centre at city hall. I will just read the last paragraph:

"If your government is truly prepared to make a major commitment to meeting the need for day care services, when will you take the necessary initiative to establish a day care centre at Queen's Park? Your early comments on this important question will be greatly appreciated."

It is now June 3 and the Premier has not even cared to reply to my letter as of this date. Mr. Speaker, I will let you be the judge. Is this government committed to providing day care facilities to employees of this Legislature and other departments at Queen's Park, or to anyone for that matter? By not replying to my letter as of two o'clock this afternoon, the Premier has clearly demonstrated to all of us that this government's commitment to day care is nil.

Mr. Wrye: Nonexistent.

Mr. Boudria: Just nonexistent.

I would like to reflect on some sections of the speech made by the member for High Park-Swansea. In one part of his speech he congratulated the Minister of Community and Social Services (Mr. Drea) for providing all kinds of funds towards day care. I believe the amount he quoted was \$75 million and he said this was just fantastic.

Later in his speech, he said the shortage of day care space is a crisis. How can we have enough day care and simultaneously have a crisis? Either the government has a commitment or it does not. One does not provide enough money and have a lack of facilities as well. How can they rationalize all those things happening at once?

5:40 p.m.

I hope the member is sincere in moving this resolution because his government is not. It has clearly demonstrated to this Legislature and to

the people of Ontario that it does not care whether the proper facilities are installed here at Queen's Park. It is important. The members may think it is only symbolic that this facility be established here, but if established it will serve as a model for industry throughout all of Ontario to start up similar facilities.

In concluding, I would like to disagree with one of the statements of the member for High Park-Swansea. He said day care was not a social responsibility; it was a labour responsibility, or something to that effect. I fundamentally disagree with him. Day care is a social responsibility here in Ontario and everywhere else. It is up to us as a society to ensure those facilities are established to provide for our children and to give the opportunity to the parents of those children—in most cases mothers and in many cases single mothers—to be able to participate fully in the work place in Ontario.

Mr. McClellan: Mr. Speaker, I would have been really pleased to stand here and say I was supporting a resolution that would provide a day care centre at the Queen's Park complex. It is really a tragedy that is not what is in front of us.

What is in front of us is a resolution to set up a feasibility study. In 1982 this government is so thick it still thinks there is a need for a feasibility study for day care for its own employees. That is preposterous. This issue has attracted some publicity in the press.

Mr. Gordon: That is the NDP approach—planning.

Mr. McClellan: I can tell the honourable member about planning. Here is an article entitled "Queen's Park Women Still Seek Day Care," by Kathleen Rex:

"Queen's Park employees who have been trying to get a day care centre started for their children are holding an open meeting next week to put their message across to the public and they hope to their bosses.

"The meeting will take place in the Nipigon room of the Macdonald Block and has been planned by the Queen's Park day care committee, a group of young mothers most of whose children have grown beyond the need for day care in the long-drawn-out hassle to get action.

"An estimated 350 women in the civil service need day care facilities. 'Although the government is trying hard to ignore our demands, the need for day care at Queen's Park is still urgent,' the committee said."

Would the member for High Park-Swansea

not agree that is a good story? The date of that story is November 21, 1974.

This issue has been raised literally hundreds of times by opposition members. I think it was initiated by my colleague the member for Sudbury East (Mr. Martel) when he was our Community and Social Services critic in 1971.

The member for Scarborough East (Mrs. Birch), the Provincial Secretary for Social Development, responding to questions in the Legislature a month after I was first elected in 1975, was boasting proudly about the work of the Queen's Park day care committee in response to questions from Mr. Lewis and the member for Sudbury East. She acknowledged they had done a feasibility study. Can the members believe it? They discovered it would cost \$5,000 per child to set up a day care centre here at Queen's Park.

With this kind of incompetence on the part of the provincial secretary and the ministry, it is no wonder there is no day care facility here at Queen's Park. Local-initiatives-program projects were able to set up excellent day care facilities all across the city in the early 1970s without spending \$5,000 per child on capital projects. This government designed a feasibility study so preposterous it killed the project.

Strangely enough, I was also looking at the estimates debates for 1972 when I was researching this resolution. I discovered in response to a question by my colleague the member for Sudbury East that in 1972 there were a total of 36,000 licensed day care spaces in Ontario, of which only 10,000 were subsidized. Last week in committee we were told that, as of June 1982, there were 64,000 licensed spaces in Ontario and 22,000 subsidized spaces—a glorious, grand increase of 10,000 subsidized spaces over 10 years. This government's day care policies are preposterous.

In order to get a subsidy for day care, as everybody knows, one has to fill out form 7, and still submit oneself to the most degrading, demeaning and humiliating means test in use in the province. If I am not mistaken, in many communities one has to go down to the welfare office and line up as though one is a welfare recipient. One has to go through that degrading process in order to get a subsidy.

Finally, there is the question of who will pay. This resolution calls for self-financing day care. In Metro, the per diem cost is \$22. That works out to \$110 a week, \$440 a month, \$5,280 a year per child. That is what self-financing means. That is what the member for High Park-Swansea is talking about—making parents pay

\$5,280 a year per child. What if they have two children? Are they supposed to pay \$10,000? In Ottawa the figure is \$7,200 a year per child. Is one supposed to pay \$14,000 a year if one has two children? The member can keep self-financing day care; we support publicly funded, publicly supported day care for everybody who needs it in our society.

Mr. Shymko: Mr. Speaker, I am very pleased to have the support of the member for Prescott-Russell and certainly to have the support of the member for Bellwoods. I would like to point out to the member for Bellwoods that the resolution he quoted from 1974 was from the member for Sudbury East. The difference between that and the present resolution is that now the resolution is coming from a member on this side of the House.

Mr. Martel: Mr. Speaker, on a point of privilege: What has just emanated from the honourable member's mouth, that I moved a resolution, is nonsense and he should withdraw it. Don't be such a dummy.

Mr. Speaker: That is not a point of privilege.

Mr. Shymko: I think I made my point. The idea of providing work-place day care is not new and the member knows it. The member for Bellwoods made reference to a report that was made to Management Board in 1975. I agree the recommendation was not acted on specifically. It is being acted on now, as presented by this resolution.

I understand a facility has been approved in Orillia. The government is sponsoring a pilot project on the grounds of the Huronia Regional Centre for the Mentally Retarded, as the member knows very well. He should be aware of this pilot project. It will be opened some time this summer or early this fall. I believe if we develop the concept of work-place day care here at Queen's Park, we will be providing an important example, as I pointed out, and a stimulus which, unfortunately, a certain party does not understand and will not understand.

I believe if the House acts on this resolution we will not only be measuring and meeting an immediate need but working towards a viable long-term solution to a problem that indirectly affects all of us, including the honourable members. If one is a working parent, do not know whether some of the members work or not, but at least if they have children, they will appreciate it.

Mr. Speaker, I would like to conclude.

Mr. Speaker: The member's time has expired.

Mr. Shymko: I hope I have members' support.

5:56 p.m.

VDT OPERATORS' SAFETY ACT

The House divided on Mr. R. F. Johnston's motion for second reading of Bill 18, VDT Operators' Safety Act, which was negatived on the following vote:

Ayes

Boudria, Bradley, Breithaupt, Bryden, Charlton, Conway, Copps, Eakins, Elston, Foulds, Grande, Johnston, R. F., Kerrio, Laughren, MacDonald, Mackenzie;

Martel, McClellan, McGuigan, McKessock, Miller, G. I., Newman, Nixon, O'Neil, Philip, Reid, T. P., Riddell, Ruprecht, Ruston, Samis, Spensieri, Swart, Sweeney, Van Horne, Wrye.

Nays

Andrewes, Barlow, Bernier, Birch, Brandt, Cousens, Cureatz, Dean, Eaton, Elgie, Fish, Gillies, Gordon, Gregory, Grossman;

Harris, Henderson, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Lane, Leluk, MacQuarrie, McCaffrey, McLean, McMurtry, McNeil, Mitchell, Norton, Piché, Pollock, Pope, Ramsay;

Robinson, Rotenberg, Runciman, Sheppard, Shymko, Snow, Stevenson, K. R., Taylor, G. W., Treleaven, Villeneuve, Walker, Watson, Williams, Wiseman, Yakabuski.

Ayes 35; nays 52.

Interruption

Mr. Speaker: Order. I would just remind the visitors in the galleries that no participation in any demonstration is allowed. If it persists I will have to clear the gallery. Thank you.

6:02 p.m.

DAY CARE AT QUEEN'S PARK

The House divided on Mr. Shymko's motion of resolution 24, which was negatived on the following vote:

Ayes

Bernier, Birch, Brandt, Cousens, Cureatz, Dean, Elgie, Fish, Gillies, Gordon, Gregory, Grossman, Henderson, Hennessy, Kells, Kerr, Lane, MacQuarrie, McCaffrey, McMurtry, Mitchell, Norton, Pollock, Pope, Ramsay, Robinson, Rotenberg, Shymko, Stevenson, K. R., Treleaven, Walker, Watson, Wiseman.

Nays

Andrewes, Boudria, Bradley, Breithaupt, Bryden, Charlton, Conway, Copps, Eakins, Elston, Foulds, Grande, Hodgson, Johnson, J. M., Johnston, R. F., Jones, Kennedy, Kerrio, Laughren, MacDonald, Mackenzie, Martel, McClellan, McGuigan, McKessock, McLean, McNeil, Miller, G. I.;

Newman, Nixon, O'Neil, Peterson, Philip, Piché, Reid, T. P., Riddell, Runciman, Ruprecht, Ruston, Samis, Sheppard, Snow, Spensieri, Swart, Sweeney, Taylor, G. W., Van Horne, Villeneuve, Williams, Wrye.

Ayes 33; nays 50.

6:10 p.m.

BUSINESS OF THE HOUSE

Hon. Mr. Gregory: Mr. Speaker, before we recess for dinner I would like to indicate the business of the House for tonight, Friday and next week.

Tonight there is a minor change from the business paper on the members' desks. We will do third readings of Bills 36 and 6 and then complete Bills Pr3 and Pr7; we will then complete the committee stage of Bill 9. If that work is done we will go directly to Bill 46.

Tomorrow we will consider government motion

7, which is on page 11 of today's Order Paper; then we will resume the estimates of the Ministry of Northern Affairs.

On Monday, June 7, we will complete the estimates of the Ministry of Northern Affairs. The House will not sit on Monday night.

On Tuesday, June 8, we will continue the budget legislation both afternoon and evening, with second reading of Bills 111 and 116 in the name of the Treasurer (Mr. F. S. Miller); then we will continue with Bills 112, 113, 115 and 114 in the name of the Minister of Revenue (Mr. Ashe).

On Wednesday, June 9, the usual three committees may meet in the morning: justice, general government and resources development.

On Thursday, June 10, in the afternoon we will consider private members' ballot items in the name of the member for Brant-Oxford-Norfolk (Mr. Nixon) and the member for Oshawa (Mr. Breough); in the evening we will continue with budget legislation with the Minister of Revenue.

On Friday, June 11, will be second reading of Bills 1, 2, 3 and 4, and committee of the whole House on those bills and on Bill 125 in the name of the Attorney General (Mr. McMurtry).

The House recessed at 6:12 p.m.

CONTENTS

Thursday, June 3, 1982

Statement by the ministry

Elgie, Hon. R. G., Minister of Consumer and Commercial Relations:

Motor Vehicle Dealers Amendment Act	2276
--	------

Oral questions

Davis, Hon. W. G., Premier:

Wild rice harvesting moratorium , Mr. Laughren, Mr. Van Horne.	2284
Municipal election referendum , Mr. Epp, Mr. R. F. Johnston.	2285
Exemptions from environmental assessment , Mr. Laughren, Mr. Peterson.	2286

Grossman, Hon. L. S., Minister of Health:

Hospital services , Ms. Copps, Mr. McClellan.	2282
---	------

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:

Tax burden , Mr. Peterson, Mr. Foulds.	2276
Ontario Hydro salaries , Mr. Peterson.	2278
Welfare payments , Mr. Foulds, Mr. Peterson, Mr. R. F. Johnston.	2279
Government advertising , Mr. Bradley.	2287

Welch, Hon. R. S., Minister of Energy:

Energy rates , Mr. Foulds, Mr. Peterson, Mr. Swart.	2280
---	------

Petition

Retail sales tax , Mr. Ruston.	2287
--	------

First readings

Motor Vehicle Dealers Amendment Act , Bill 130, Mr. Elgie, agreed to.	2288
Registry Amendment Act , Bill 131, Mr. Elgie, agreed to.	2288
Land Titles Amendment Act , Bill 132, Mr. Elgie, agreed to.	2288
Nuclear Disarmament Referendum Act , Bill 133, Mr. Epp, agreed to.	2288
INCO Ltd. Acquisition Act , Bill 134, Mr. Martel, agreed to.	2288
Unified Family Court Amendment Act , Bill 135, Mr. McMurtry, agreed to.	2289

Private members' public business

VDT Operators' Safety Act , Bill 18, Mr. R. F. Johnston, Mr. Kolyn, Mr. Wrye, Mr. Martel, Mr. Brandt, Ms. Copps, Ms. Bryden, negatived.	2289
Day Care at Queen's Park , Resolution 24, Mr. Shymko, Mr. Boudria, Mr. McClellan, negatived.	2302

Other business

Premier's remarks , Mr. Wrye.	2275
Tax on nonprofit organizations , Mr. Peterson, Mr. F. S. Miller.	2275
Use of members' names in debates , Mr. Speaker.	2275
Answers to questions on notice paper , Mr. Gregory.	2289
Business of the House , Mr. Gregory.	2311
Recess	2311

SPEAKERS IN THIS ISSUE

Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Bryden, M. H. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Copp, S. M. (Hamilton Centre L)
Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
Davis, Hon. W. G., Premier (Brampton PC)
Eakins, J. F. (Victoria-Haliburton L)
Elgie, Hon. R. G., Minister of Consumer and Commercial Relations (York East PC)
Epp, H. A. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Gordon, J. K. (Sudbury PC)
Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. G. (Niagara Falls L)
Kolyn, A. (Lakeshore PC)
Laughren, F. (Nickel Belt NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
McMurtry, Hon. R. R., Attorney General (Eglinton PC)
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
Peterson, D. R. (London Centre L)
Reid, T. P. (Rainy River L-Lab.)
Ruston, R. F. (Essex North L)
Sargent, E. C. (Grey-Bruce L)
Shymko, Y. R. (High Park-Swansea PC)
Swart, M. L. (Welland-Thorold NDP)
Turner, Hon. J. M., Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Walker, Hon. G. W., Minister of Industry and Trade (London South PC)
Welch, Hon. R. S., Minister of Energy (Brock PC)
Wrye, W. M. (Windsor-Sandwich L)



Ontario.

LEGISLATIVE ASSEMBLY

No. 65

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Thursday, June 3, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, June 3, 1982

The House resumed at 8 p.m.

THIRD READINGS

The following bills were given third reading on motion:

Bill 36, An Act to establish the Ministry of Citizenship and Culture;

Bill 6, An Act to revise the Business Corporations Act.

House in committee of the whole.

CITY OF TORONTO ACT

Consideration of Bill Pr3, An Act respecting the City of Toronto.

The Deputy Chairman: There is an amendment to the bill.

On section 1:

Mr. Nixon: Unfortunately I was not present at the standing committee, Mr. Chairman. The purpose of section 1 is to eliminate the requirement for a two-thirds vote of council to overturn a decision of the executive committee. I wonder if the government is prepared to accept a little more democracy from its own caucus in this connection, since it is doing away with this rather heavy-handed approach that has been part of Toronto legislation. Perhaps the government House leader could indicate if this is now Tory policy and whether the actual Conservatives are going to have a hand in running the government from now on?

Mr. Rotenberg: Mr. Chairman, I fail to see the connection between the city of Toronto executive committee and this caucus, which is always very democratic. Everybody has one vote and we run this House very well.

Mr. Martel: Maybe you can clarify for me, Mr. Chairman, with your vast wealth of knowledge in the field, who is carrying this bill? It stands in the name of the member for St. George (Ms. Fish). I do not see her in the precincts anywhere. I just wonder if it is incumbent on the person who is the sponsor of the bill to be in the House when the bill is being considered. I simply do not know. Maybe you could clarify it for me.

The Deputy Chairman: For the sake of the member for Sudbury East and all other members, when a sponsoring member is not present, any

other honourable member can make the motion in his or her absence, and that has been done.

Mr. Rotenberg: I would point out to the member for Sudbury East that the member for St. George is in committee. We have conferred on this. She is quite content to have me carry this bill, which is in her name. I would also point out that private bills, as distinguished from other bills when they have carriage, are normally carried by the Ministry of Municipal Affairs and Housing.

Mr. Foulds: On that point of order, Mr. Chairman: I wonder if you could point that out to us in the standing orders.

The Deputy Chairman: I cannot hear you because of your neighbour.

Mr. Foulds: I wonder where in the standing orders private bills are considered to be the responsibility of the parliamentary assistant of the Ministry of Municipal Affairs and Housing.

Mr. Rotenberg: With respect, Mr. Chairman, a lot of things happen. A lot of people assume other people's responsibilities. It is not in the standing orders. Quite often I have seen members opposite, when a member is not there, move a motion in his or her name. That is quite in order in this House. There is nothing in the standing orders that requires the person responsible for the bill to be in the House at the time. I really fail to see why at this stage of the game the opposition members are being so picayune in bringing up matters that have been the custom of this House for centuries.

Mr. Martel: I am irritated that the member says I am being picayune. I asked the chairman what I consider is a legitimate question, since the situation is not covered in the rules. If my friend the member for Wilson Heights thinks he can go around here making up rules as the member for High Park-Swansea (Mr. Shymko) did this afternoon, that is fine, but it does not work that way around here. If a member looks for clarification he is not being picayune. If I wanted to be picayune, I could really play a number on this bill.

The Deputy Chairman: I accepted the member for Sudbury East's point and—

Mr. Martel: Well, he said I was being pica-yune. I just thought he should crawl back into his hole.

Sections 1 to 4, inclusive, agreed to.

Mr. Martel: Might I ask once more for clarification? I have been here for a few years and I cannot recall a bill—why are we going through these gymnastics? Was the bill not carried in committee and then brought to the House just for third reading? Is someone planning to move an amendment or what?

Hon. Mr. Gregory: Mr. Chairman, it was ordered for committee of the whole House.

Mr. Martel: Are you going to move an amendment?

The Deputy Chairman: There is an amendment coming now.

On section 5:

The Deputy Chairman: Mr. Rotenberg moves that section 5 be deleted from the bill.

Mr. Martel: Do you have a copy of that amendment?

The Deputy Chairman: Yes. That is the amendment.

Mr. Nixon: I would like to speak to that amendment. Before I do, the parliamentary assistant might want to say something about why he is reversing the member for St. George in this important and sensitive matter.

8:10 p.m.

Mr. Rotenberg: I am on my feet, Mr. Chairman, and I would indicate that although the member for St. George was not a member of the committee she has indicated she is quite content with the motion I am putting to have this matter deleted from the bill.

The comments I make basically apply to both section 5 and section 6 of the bill, in which the city of Toronto asks for some special licensing powers.

We have a number of licensing powers not granted to the municipalities in the general legislation of the Municipal Act. We have before the House at the moment Bill 11, which has had first reading and, I hope, will very shortly have second reading, which gives municipalities far more sweeping powers to license. In effect Bill 11 says that, subject to certain conditions, municipalities can license any trade, industry or group if they so desire. We are taking away all the many sections of the Municipal Act that indicate those things that municipalities can license.

The purpose of licensing is to ensure that

those people who are licensed are identifiable and responsible to the public; that if something goes wrong in any trade or business they are in, people know they are registered, they have an address and have some financial responsibility. Where qualifications are required, as they are for a plumber or for somebody doing heating or home repairs, the municipality can ensure that those people have the minimum qualifications in whatever they are doing.

However, there are a couple of principles in our licensing bill and in government policy on licensing that border on human or civil rights. Licensing cannot be used to grant a monopoly; that is, you cannot say there will be only so many barbers' shops or gas stations in a municipality. The two exceptions to that rule are taxicabs and body-rub parlours, which are specifically exempted in Bill 11 and in the present legislation before us.

Licensing shall not limit the number of people in a trade. Licensing cannot prescribe a fee that would be prohibitive and, in effect, keep people out of business. And it cannot restrict the areas in which a person can ply his trade; that is to be done by the zoning bylaw.

Although the government and the ministry would have no objection in section 5 to the straight licensing of street entertainers for a nominal fee, the city has asked for a number of powers that are contrary to Bill 11, which, I hope, will get the support of this House when it gets here, and also contrary to the present act.

If you look in clause 5(3)(a), you will see it wants to establish any "terms and conditions which must be complied with prior to the issuing of a licence," which gives them wide-open powers to do just about anything. Under clause 5(3)(c), it wants to be able to "prescribe priorities, locations and hours of operation;" which licensing normally does not allow.

Under clause 5(3)(d), it wants to limit the number of licences, which in effect is a monopoly provision that could lead to favouritism and certainly should not be allowed. They want to prescribe any fee they wish for a licence, and if the fee is prohibitive they could restrict people by prescribing the fee. I would point out that, according to Bill 11, the fee shall be \$10 maximum, or \$25 if an examination is required, or the amount it costs the municipality to administer such licensing. And they provide for certain restrictions in clause 5(3)(f).

What I am saying, really, is that although we would have no objection to a straight power to license street musicians, which the city will have

when Bill 11 is passed, we do object to all of the restrictions and limitations, which would give the city of Toronto powers that would not be in accordance with government policy or with what I think are basic civil rights. If someone meets the qualifications he should be able to get a licence for a nominal fee. The city wants to license only so many street musicians, and they could charge a fee that is not in accordance with government policy.

Therefore, Mr. Chairman, for all these reasons—

Mr. R. F. Johnston: Do we limit the number of taxis?

Mr. Rotenberg: I have indicated that the two exceptions this Legislature has passed are taxicabs and body-rub parlours. Those are the only exceptions to the monopoly provisions.

For all these reasons I have moved that section 5 be deleted from the bill.

The Deputy Chairman: Before the member for Brant-Oxford-Norfolk (Mr. Nixon) responds, and I will call upon him next, the proper motion really is that section 5 not stand as part of the bill.

Mr. Rotenberg: If that is the proper way I would be more than pleased to move it that way, Mr. Chairman.

The Deputy Chairman: Thank you.

Mr. Nixon: Mr. Chairman, I always felt that a motion to delete was a little bit redundant. All he has to do is vote against the section and persuade—

The Deputy Chairman: That is what the table has just said.

Mr. Nixon: Except that you did not.

Mr. Foulds: I do not think he said it that way.

Mr. Nixon: Sure. There is no motion at all other than that the bill is before us for approval, and if either you or the parliamentary assistant do not like it you can vote against it.

Before I make some comments I would like to ask a question of the honourable member. Was he present in the committee to give the same arguments he just presented to the House to the representatives of the city of Toronto, including the honourable member who presented the bill and who is not here tonight? In other words, were either you or the minister present at the committee to present the government's policy, or did this just ride through the committee and you are now undergoing some sort of a correction process?

Mr. Rotenberg: Mr. Chairman, I was present at the committee. I presented basically the same case to the committee, and the section passed by a split vote—I think by one vote. The member for St. George was present. She is not a member of committee, but agreed with the position I took.

Mr. Nixon: It looks very good, as far as I can see. With the new-found independence of Conservative policy and caucus that was expressed in their vote this afternoon, we may still preserve some of the independence of the city in this particular amendment.

I am very fortunate in that I come to Toronto occasionally for my responsibilities but live elsewhere. I should tell you that when I drive here in my Citation and cross the bridge over the Humber my spirits are always lifted, because I love this city. And it is nice when I go home because when I cross the bridge and leave the city my spirits are lifted again. It is very nice.

Mr. R. F. Johnston: No wonder you are so high.

Mr. Nixon: Of course, I am just going into Mississauga and that will do it every time.

I say to the parliamentary assistant, away at the end of the row, I really do think this is a marvellous town. One of the fine things is walking by the Royal Ontario Museum. There is a gentleman there with one of those pushcarts that has a little steam whistle blowing away. I have always been noted for the finer things of life, like good food, and the cashews he sells are marvellous. So is everything else.

When I cross at the corner of College Street, there is a charming lady selling flowers. I do not know how this was done in the past without the benefit of the approval of this House, or at least of that particular assistant minister, but obviously it seems to be working fairly well.

In some areas, Kensington Market and so on, there are people who are selling on the street, which I find extremely acceptable and quite interesting. It gives a great deal of charm to the town, and they all seem to be selling things that I usually want, which is also a good thing.

I am not sure what the minister is worried about, or what the member for St. George had in mind when she presented this bill. Obviously, the city feels this is becoming a substantial arm of business of some sort, and that it has the right to issue licences under the provisions of this particular statute. There is the very fact that the parliamentary assistant explained his objection and referred to some bill that is introduced in

the House and may become law at some time, although the legislative program does not seem to be whistling through at any great speed. But the city is making a proposal which has been discussed in council and which the members have approved for the benefit of their community.

I know that the parliamentary assistant was once budget chief of Toronto and is very familiar with the town. He made a valiant run for mayor on one occasion. Actually, before I knew him so well, I would have thought he would have made a good mayor. Maybe he still would be if he wants to return to municipal politics.

Mr. R. F. Johnston: Not all of us can be mayor.

Mr. Nixon: It seems strange for him to be in his seat of power in this ministry, to look at what Toronto presents and to say in effect: "Not yet, little man. We do not think you are up to licensing these businessmen."

It must be very irritating for the council of the city of Toronto in dealing with their democratically elected local representative—who I am glad to see has joined the deliberations here—only to find themselves absolutely stymied by the parliamentary assistant. Because he was almost mayor and used to be budget chief, which is a big thing in Toronto, he seems to be listened to on that side with a great deal of respect. Day by day we can see that is so.

I cannot understand why you would not be prepared simply to say to Toronto, "That looks like a reasonable proposal, and perhaps we might model general legislation on what you have put forward." Mind you, this is for a metropolis, for a big town with a lot of action. I am not so sure it would work in South Dumfries. But that is what we are here for, to adjust it to these various communities.

8:20 p.m.

As far as I am concerned, I am very much in favour of flower vendors, the people who are selling food and other things, and the musicians in town. I would hope they would be recognized as a viable part of the business life as well as part of the attractive colour and ambience, as we call it in South Dumfries, of this fine city. I am not much impressed by the assistant minister's arguments that we ought to throw the whole thing out.

After all, this was considered by the council of this city, brought here and passed by the committee dealing with it on an impartial,

nonpartisan basis. It must have been if the parliamentary assistant was exercising all his wiles on them and they still rejected it. I think the House ought to follow their example and pass this section as it is written.

Ms. Bryden: Mr. Chairman, I think we should be perfectly clear about what is going on here tonight. What is happening is the parliamentary assistant is trying to reverse a decision made in committee by a very narrow vote. By six to five, the committee decided to keep section 5 in the act. We also decided to keep section 6 in the act. It will be coming up shortly and I understand the member for Wilson Heights is planning to move an amendment to take it out as well.

We have before us, or will have, two sections that were adopted by the committee by a vote of six to five. I am not sure what happened in the committee, whether one of the Conservatives who joined the five opposition members to vote for those sections was asleep or whether he was actually convinced by our arguments that this legislation should stay in the City of Toronto Act. The city of Toronto had asked for this legislation and presumably the member for St. George had considered it worthy of sponsoring.

Mr. Martel: No wonder she was in committee. I can understand why she did not want to be here now.

Ms. Bryden: But of course she did not have a vote in committee, so she was not one of the six who voted for it. One Conservative member did vote for it.

Mr. Nixon: Who was that?

Ms. Bryden: The record does not tell us and I am afraid I did not keep a record of that.

The member for St. George did say she would have preferred to have some things in this legislation that are not there, such as control over the people who clutter up the streets by trying to convince people to support sectarian causes but, since the legislation did not cover that, it appeared that only what are called "street entertainers" and, in section 6, "flower vendors" were to be controlled by this bill.

The member for St. George also mentioned that she was in favour of limiting the number of body-rub parlours and taxis, but she was not in favour of limiting the number of street entertainers or flower sellers.

What is really at issue here is the question of whether the city of Toronto has grown up and is out of short pants. It seems to me it has a responsible council that should be able to decide what goes on on the streets of Toronto

and what kind of milieu we have in the city. That was why I supported these sections when the city came to us and said it was having problems with overcongestion on the streets and that it wanted to have some say in how many people there were on any particular street at any particular time.

It is not against street entertainers or flower sellers, but it wants to have the right to prevent congestion situations which are aggravated as well by these sectarian sellers, who are selling ideas and trying to collect funds.

The mayor came and said they did not intend to put on prohibitive fees and to keep people out by that method, which is certainly an unfair method because it is rationing by the dollar and would put a lot of people out of business. They simply wanted the power to be able to limit the numbers and to control the traffic in whatever way seemed desirable to ensure that our streets were viable and pleasant places.

I do not think we should go along with this effort by the Conservatives to reverse what happened in committee. We discussed it at great length. We had the mayor of Toronto there and he told us exactly what they intended to do. I think most, well certainly a majority, of the committee members thought it was a reasonable thing to do.

I think tonight we should turn back the effort to strike out these clauses that were adopted.

Mr. Rotenberg: Mr. Chairman, just several brief points. If the member for Beaches-Woodbine is indicating when a matter comes from a committee—

Mr. Ruston: The member for St. George should be allowed to speak.

Mr. Rotenberg: We are in committee of the whole, people can speak more than once, there are no restrictions.

Mr. Nixon: It's all right. He will speak again.

Mr. Rotenberg: If the member for Beaches-Woodbine in speaking for her party is saying is that once something is passed in committee it should not be rediscussed or reversed in the House, then if we can get a commitment from that party that any bill coming up from committee will not be further debated in the House, I would gladly give up these two clauses. If we can get the commitment from that party they will never raise a matter coming up from committee, I will gladly give up these two clauses.

Mr. Ruston: It's different.

Mr. Rotenberg: It is different when they want something than when we want something.

Mr. Martel: Who is we? That is what I am trying to find out about the whole process of this bill.

Mr. R. F. Johnston: Has the member for St. George changed her mind and does she want to change the bill now—can I put that to the member for Wuthering Heights?

The Deputy Chairman: Order.

Mr. Rotenberg: Mr. Chairman, I say to the member for Brant-Oxford-Norfolk (Mr. Nixon) if he would listen—he who never was in municipal politics—when he mentions he likes the flower vendors and likes the popcorn vendors, I would point out that the popcorn vendors are licensed, unrestricted. They can go anywhere since there is no restriction on their licences. The popcorn vendors are doing fine. The flower vendors are not licensed, they are not restricted, and the flower vendors are doing fine.

If the member for Brant-Oxford-Norfolk likes the street musicians and likes the flower vendors, as I do, he should be voting with me to delete these clauses. These clauses will not allow those people to be in business. Because they are now unrestricted, these clauses will allow the city to put undue restrictions on the flower vendors and on the street musicians so the city of Toronto can restrict them and not allow them to be in business as they are now.

We have no objection to licensing these people. If it was a straight bill to just simply license in accordance with the other policies we would not have objected. But because they want to put these undue restrictions on, I would think the member for Brant-Oxford-Norfolk would support my motion to allow these people to continue in business.

Ms. Fish: Thank you, Mr. Chairman, and my thanks to all of the members in the House for permitting me the opportunity of speaking perhaps a little bit out of rotation.

I would like to address the question of the proposed deletion of two sections of the bill that through the standing committee stage had remained in the bill.

The origin of the concern that the city was expressing, and the grounds for which the city council in its wisdom chose to seek this particular power, were based on a concern that the authority to license and regulate the flower vendors and buskers or street entertainers was not available.

I think mention has been made of the fact that the discussions did flow principally from reviews of what had been occurring in the Yonge Street

corridor area where I believe the member for Beaches-Woodbine (Ms. Bryden) quite correctly noted that the concern was not particularly about flower vendors and buskers, because there are not that many of them on the streets, but rather the compounding effect of large amounts of activity that collect crowds or perhaps impede or make more difficult some pedestrian traffic.

8:30 p.m.

Mr. Nixon: You are not thinking of licensing those are you?

Ms. Fish: No, no; just a second. I recall the earlier debates on it because I was serving on council at the time the earlier discussions came forward, and I think it was well understood by the city that the proposal to deal with the flower vendors and the buskers was an attempt to identify among the groups of people, or the types of activities that would occur on the street, those activities that one could reasonably identify as being suitable for licensing.

Mention already has been made of the variety of other activities that might begin to impinge upon proselytizing, whether through a political or religious view or what have you. Clearly, the council was not seeking in any way to intrude upon that quite legitimate activity in the street, but it recognized that the more these kinds of things happen on the streets, when there is a lively and attractive city where people want to take advantage of pedestrian areas, the more difficult it becomes to maintain a sort of balance: to deal with the concern of shop owners about what is happening on their sidewalks and to deal with the pedestrian flow.

The identification of flower vendors and buskers was an attempt to look at what the package of activity was and to try to identify those things that one could reasonably look to as an appropriate activity for licensing, recognizing also that there are a lot of other activities occurring on the street which would not be appropriate for licensing.

At the time that came forward there did not appear to be any opportunity for a municipal level to get into that area of licensing. Concern was expressed about whether there was adequate opportunity under the then existing legislation for Metropolitan Toronto even to enter the area should it wish to do so.

Members will be aware that licensing within Metropolitan Toronto is a metropolitan responsibility. Within this municipal family, if I am may describe it that way, we have the Metropol-

itan Toronto Licensing Commission, which handles all the licensing responsibilities for Metro as a whole; obviously that includes the city, because the city is a constituent municipality within Metro.

Concern was expressed about whether Metro, under the existing provisions, was able to enter into this area for licensing. There was also a bit of concern as to whether, if Metro were able to enter into it on a Metro-wide basis, the licensing commission would choose to enter into it. The way the licensing commission would operate would be to establish standards right across Metro. The focus of the concern and interest in this licensing was not only not Metro-wide and not even citywide; it was narrowed down much more finely to a very few streets that are located pretty well around the Yonge Street corridor.

Following upon that there was a concern that even if the legislation would permit the Metro licensing commission to enter into the field, and even if the Metro licensing commission chose not to enter the field but agreed that such activities were appropriate to licensing, would there be a willingness on the part of the Metro level to delegate the responsibility to undertake such licensing to the city level?

Those questions, which I think were quite germane, were unclear. They were especially made unclear by the fact that the proposal that ultimately carried through council—if members refer to their bill, they will see it there in the clauses—dealt in the case of buskers with a fairly rigorous and complex procedure for auditioning and standards, among other things. I think it might be appropriate to share with members that there was considerable debate on that section even at the council level as to whether council ought to be engaging in some sort of audition situation with the entertainers and buskers.

When it came around to committee we had in front of us, and it was acknowledged by the city delegation, correspondence that appeared to indicate that indeed the metropolitan level would be prepared to delegate certain of its licensing responsibilities to the city, based on appropriate discussions between the two levels of municipal government and potentially in the field of licensing flower vendors and buskers.

In addition, we had considerable discussion around the question of whether there would be general legislative amendments on licensing that might make some of these aspects and elements easier in the discussions between Metro and the city and achieve the end the city

was hoping to achieve, which was some degree of regulation and, in the case of buskers, even some degree of quality control.

I remember well the remarks of the member for York South (Mr. MacDonald), who indicated—I am paraphrasing him, but I believe I am paraphrasing accurately for intent—that he had no objection to the concept of general legislation being brought in but that he was somewhat sceptical about the timing of such general legislation. Indeed, he had made reference to debates that may have occurred, perhaps in committee or in this House in days gone by, about general licensing changes being brought in.

He suggested, among other things, that one of the routes that might be followed in this bill would be to provide an approval with a clause that would indicate that, on the passage of general licensing legislation, the general legislation would overtake the more specific. As I recall his concerns, they were based primarily on some scepticism about timing.

As I recall the timing when we were before committee and in discussion, the parliamentary assistant to the Minister of Municipal Affairs and Housing, the member for Wilson Heights, had indicated an intention on the part of the government to introduce such legislation and to deal with it with dispatch but was not in a position to indicate that it had yet been introduced or to be able to forecast any timing.

With the passage of time since the committee decisions on the bill, the general legislation that the parliamentary assistant had referred to has been introduced and is well under way in terms of our procedures here in this House for discussion, consideration and, it is to be hoped, adoption.

8:40 p.m.

I think it is fair and appropriate to say that, to the best of my knowledge, the council of the city of Toronto has not reconsidered this legislation, nor has it commented upon the recommendations that have come forward from the standing committee. Therefore, I am not in a position, nor would I seek to do so, to suggest to the House that there has been any change in the formal request from the council.

However, I would be remiss if I did not share with the members the fact that I have been engaged in numerous discussions with a very large number of council members who have indicated to me that they have been in discussion also with other members of this House, some of whom are on this side and others of whom are

on the benches opposite. They indicated that in their opinion, in the scale of matters within the bill, the question of licensing flower vendors and buskers was rather down on the list of priorities of clauses that were there.

The primary focus of concern was on two other sections of the bill which dealt with the city's sesquicentennial and with changes on the votes needed at the council level to overturn certain decisions of the executive committee.

I might say that as recently as about 7:45 this evening, in discussion with a sitting member of the council who has been on council for many years and who participated in the committee that brought forward these sections at the outset, when I made reference to the sections and to my awareness that the parliamentary assistant intended to move the deletion, that member of council could not even recall what the sections were or the purpose for bringing them forward.

It seems to me that many of the cautions that were expressed in committee, notably as they related to the matter of timing and likelihood of general legislation, can be reasonably satisfied at this time by the introduction of the general legislation, by its timing and by the considerations about the matter of delegations downward from the metropolitan level to the city and so forth being included therein.

It seems to me that the likelihood of licensing flower vendors and buskers, at whatever appropriate municipal level in the discussion between the city and Metropolitan Toronto, is well on its way through general legislation and in my view is not needed at this point, as indeed it was thought to have been needed some time ago when the legislation was requested.

I base that on my sitting upon the committee and hearing the debate, and upon what I do freely admit were individual conversations with members of council. I should indicate, however, that I made a particular effort to get around to as many members of council as I could who represented a broad a spectrum of views on the matter.

In seeking to look to what I could best understand as a will of council in the absence of a formal statement of the council, it appears to me that a motion to delete these sections would not create a particular problem, particularly in view of the general legislation. Based on those discussions and my understanding in that regard, I would be prepared to see those sections deleted in committee of the whole House and the bill then ordered for third reading.

Mr. Haggerty: Mr. Chairman, I sat in on the committee dealing with certain sections of the bill. Perhaps the reason the members of the Toronto council and the mayor wanted to have the bill expedited was that there were three or four other sections of the bill that needed immediate attention. Those sections have already been passed, of course, but they related to the proposed amendment to do away with the two-thirds vote of council to overturn a decision of the executive council. The other concerned the business improvement area and was related to the difficulty the Metro Toronto roads authority had when they wanted to improve or beautify any highway or improvement area. I think that is what they were more concerned about.

They did touch on the bylaws to license street entertainers. The parliamentary assistant mentioned Bill 11, which is pending and which perhaps will be dealt with soon. The delegation from the city of Toronto suggested it might take longer than one month or three weeks; it could be December before legislation can control some of the problems on the streets in Toronto. There are some contentious matters in Bill 11, and I imagine there will be lengthy debates on the drastic changes under that legislation.

I understood that local councils have the authority to control hawkers and pedlars under the Municipal Act, and I suggest the city of Toronto has authority to control anyone selling flowers or street entertainers because they are pedlars selling something and looking for hand-outs. A musician playing a guitar or singing usually has his guitar case open with 25 cents or a couple of pennies thrown in; so he is soliciting something from the public. Perhaps they do provide some entertainment, but I am sure that could be controlled on Toronto streets now under a pedlars and hawkers act or a bylaw passed by the municipality.

We talk about impeding pedestrian movement on the streets in Toronto, but I do not think too many people will stand up in the House and question the government policy that allows steel fences to be put up around the Westbury Hotel about noon hour, with the result that people have to walk almost to the curb of the street. I cannot understand why the government allows that type of entertainment on the streets but will not allow it on the ball diamond at Exhibition Park.

Mr. Nixon: Tory morality.

Mr. Haggerty: When coming off the bus, I notice there is another area on Bay Street where there is the same thing. We talk about impeding

the flow of traffic; that certainly does, and it is usually on every street corner.

While we are talking about policies and the morality of the government, there are times when I question where it is headed. We can have beer and pubs on the main streets in Toronto but not in the ball park in Toronto. That is the area we should be looking at.

There is another problem that concerns me about Bill 11. The parliamentary assistant quoted introductory note 3, "Where a licensing bylaw conflicts with provincial statutes or regulations thereunder, the statute or regulation prevails;" and introductory note 4, "The Lieutenant Governor in Council may by regulation exempt specified businesses from the operation of municipal licensing bylaws." That is what I am referring to when I talk about allowing pubs on the streets in Toronto.

It gives the government a little too much power, because under Bill 11 it can exempt almost any business in Toronto, regardless of whether the municipality passes a bylaw. That is too much power. We are talking about local autonomy given to councils. I do not think we can have it both ways under Bill 11. I suggest that is what the members of Toronto council were trying to convey to members; they want some control over the streets in Toronto without exemptions.

There is another problem facing a number of municipalities, particularly the city of Niagara Falls, and it has been mentioned on the Toronto radio stations; that is soliciting on the streets. If the government really wanted to do something, it should bring in some law now to control prostitution in every municipality in Ontario, particularly in Niagara Falls and Toronto. I suggest that under Bill 11 the parliamentary assistant should be looking forward to bringing in a bill with some guts in it.

We supported the bill that was before the committee for the reason that we could not wait for Bill 11 to be passed in the Legislature. It could take until December. We have no commitment from this government as to when it will be moving ahead with Bill 11.

8:50 p.m.

Mr. R. F. Johnston: Mr. Chairman, it is a pleasure to speak on the last matter raised by the member for Erie (Mr. Haggerty), that of street solicitation. It strikes me that is one area that the Treasurer (Mr. F. S. Miller) overlooked in his seven per cent sales tax. My God, what a fortune that could bring in.

Mr. Chairman: Order. That is unparliamentary.

Mr. R. F. Johnston: I thought nothing was sacred any more—lacking the word for whatever the opposite would be.

An hon. member: It would balance the budget.

Mr. R. F. Johnston: Yes, that is possibly true. I rise to speak not only as the member for Scarborough West but also as someone with a good deal of interest in Toronto politics, as the member from the food terminal will know. Tonight, because of this attack on local autonomy by the member for St. George, whom we remember from ward 5—

Mr. Martel: The radical.

Mr. R. F. Johnston: This attack by the almost radical member from ward 5 on her own council makes me wonder whether I should reconsider again tonight my decision not to enter the fray in the city of Toronto.

Here is someone who proudly brings in a bill in her name, on behalf of her past colleagues from the city of Toronto, to provide powers they have passed in council. Now she is willing to have the member for Wilson Heights—or, I should say, the member for Wuthering Heights, the Heathcliff of Wuthering Heights—she is willing to have him come forward to try to decimate this bill, claiming speciously that Bill 11 will replace this in terms of the kinds of powers that have been asked for here.

First he says Bill 11 will look after these matters, which is fine. Then he says that in point of fact those same powers are not in Bill 11. Is he not glad they are not? He surely would not want the elected members of the city of Toronto to have any kind of power under their jurisdictional responsibility. And the member for St. George, from ward 5 past—

Mr. Rotenberg: Do you want the city council members to discriminate?

Mr. Martel: You do that all the time.

Mr. R. F. Johnston: The government discriminates. We pass discriminatory legislation here. We want them to have the capacity to control.

Why is it that the member from ward 5 would rise in her place tonight and say that because of things she has heard from individual members of council she is willing to backtrack on the requests from that council, passed as a motion by a democratically elected body? Why would she want to back off from what seems to me to be the provision of licensing control that would

bring the kind of control to the situation she and others have raised about the city of Toronto at this time? It does not make sense to me.

When she was a member of Toronto city council she would have been offended, as members of that council often were, by this government's tinkering with legislation that was brought forward, passed democratically there, and done by this government in its wisdom and the strength of its conviction about what it wanted.

I would like to know why the member for St. George believes the things that have been deleted from this section and replaced by Bill 11 give enough power to Toronto. Clearly the reason the member for Wuthering Heights is saying that this, broadly, should be brought in is because it clearly does not give them the same power. That is why he wants it changed. The member for St. George is saying, "It is pretty much the same thing, and they really are not concerned about it."

We are getting doubletalk here. She should be standing firm on what she has been asked to bring forward; or maybe we should go back to the member for Riverdale (Mr. Renwick) bringing in the private bills from the city of Toronto, because at least he damned well fought for them.

Mr. Mackenzie: Forgive my suspicious mind, Mr. Chairman, but I have another reason for wondering why the members would like to torpedo the bill that was brought in by the member for what? St. A & P?—a bill that, incidentally, did pass by a majority in the committee.

My added concern about eliminating this section now is that we do not have Bill 11 yet. I just wonder why the Tories would bypass the opportunity to license all these additional vendors and collect the additional seven per cent sales tax from all the people they could collect from in this deal. I am just suspicious that they missed this golden opportunity to rook a few more people in the province.

Mr. R. F. Johnston: Mr. Chairman—

Mr. Chairman: What, again?

Mr. R. F. Johnston: Perhaps I did not phrase my question as I had wanted. I gave a speech, and I really meant to ask a question of the member for St. George. That is—

Mr. Chairman: Member for St. George, you are being solicited.

Ms. Fish: I am the member for St. George, but

the member for St. George is not being solicited. Mr. Chairman.

Mr. Chairman: I will rephrase that.

Mr. R. F. Johnston: If you are being solicited, there definitely should be a tax on it.

I wonder if the member would be kind enough to tell me why she thinks there are sufficient powers in Bill 11 to handle the matters that the member for Wuthering Heights very distinctly said would not be covered under Bill 11.

Ms. Fish: Mr. Chairman, I am pleased to have an opportunity to perhaps clarify my point. I appreciate that there is some considerable attempt to demean my efforts to speak with members of council, my willingness to respond to their approaches to me with respect to this bill.

I repeat that I do not confuse the individual conversations with the formal statement of council, but I made every effort to have conversations with as broad a spectrum of council members as possible. In the course of those discussions I was led to believe that the current view, the wish or the will of the council, would be to look to Bill 11 and its operation and to carry this matter forward as part of general legislation rather than special legislation.

I was reviewing for the members some of the questions that had arisen and some of the concerns about timing that had come forward at committee, some of which I think have been touched on this evening. I was certainly not attempting to provide a detailed review of the sections in this bill as against the sections in the general licensing bill, but simply to do my best in good faith to report to members of the House the discussions and my conclusions from them about a willingness on the part of city council members to look to the changes in Bill 11 and to operate under the general legislation in lieu of the more particular legislation that had been sought. That really was the advice or information I was seeking to share with members, since there seemed to be some question.

Again, I recognize that this is informal, but I am sure members opposite themselves also have been approached informally on the matter and will very often, because of constraints of time or circumstance, find it necessary to operate in discussion rather than always through resolution. It was simply an attempt to share the information as best I could. I hoped the committee would see its way clear to coming to a conclusion on the bill and ordering it for third reading so that a number of other clauses in the

bill that have some urgency associated with them would be in a position to be carried forward.

9 p.m.

Mr. R. F. Johnston: I regret that the member seems to have gone to the Larry Grossman school of question answering. There is a great deal to be said for the succinct response. I do not really feel I got information about the difference between Bill 11 and this bill. I will let that pass.

Let me say gratuitously, but only just gratuitously, that there are many methods to follow to get into the cabinet. One way is to slavishly follow the will of the cabinet and the majority decision of the Tory caucus. Another really good way of doing it is to stand up and show you have some guts and will stand up and fight for something now and then instead of caving in.

I would suggest to the ex-radical member from ward 5 that perhaps she should change her tactics a little bit. Just being a woman from the city of Toronto will not guarantee her a place in the cabinet. You better show some mettle.

Mr. Chairman: That is not on the amendment.

Mr. Foulds: I have some very simple questions either for the member for St. George or the member for Wilson Heights:

When do you expect to get Bill 11 passed?

Would you not agree that Bill 11, particularly section 2, completely ties the hands of municipalities when it comes to licensing? It completely circumscribes their power of licensing and the terms of the licences. Would you not agree that section 2 of Bill 11 circumscribes any independence the municipality might have in getting tax revenues by licensing?

The recent provincial budget has devolved much responsibility on municipalities for paying extra property taxes that will arise because of the sales tax increase by the Treasurer. The least this provincial Tory government could do would be to give the municipalities some authority to raise some extra taxation.

What you are doing in section 2 of Bill 11, as I interpret it, is to completely circumscribe the power of the municipality in terms of licensing. What you are saying is, "We at the provincial level know best about what you should be able to licence, how you can licence it, the hours and locations where you can licence it and the fees you can set for it." Surely that is a complete cop-out and cave-in in view of the much stronger

piece of legislation that was incorporated for the municipality of Toronto under section 5.

I would suggest that the kind of clause that is included in section 5 of Bill Pr3, which is before us for discussion, is the kind of clause you should have in Bill 11. What you have is a completely gutted version of clause 5 of this bill which you want to delete, in section 2 of Bill 11. It does not give the municipalities any strength, any independence or any power to do the things you are claiming they can do.

Mr. Rotenberg: Was that a question?

Mr. Foulds: It was a question.

Mr. Rotenberg: It was the intention of the ministry and myself, in consultation with my two critics opposite, the member for Waterloo North (Mr. Epp) and the member for Oshawa (Mr. Breough) that Bill 11 would have a reasonably quick second reading in this spring session. I do not know if we are going to get to it now because of the opposition filibuster on so many bills. If we get it done—

Mr. Martel: Mr. Chairman, on a point of privilege: I resent that comment, because there has been no filibuster. If you think we are just here to look at a bill and say, "Let it slide," then you are crazy. When you make that sort of accusation would you be kind enough to indicate in specific detail what bills you are talking about and to detail the length of the filibuster. I defy you to produce that because you cannot. If you—

Mr. Chairman: Order. Your point has been made. The member for Wilson Heights.

Mr. Rotenberg: Mr. Chairman, if the honourable member is offended I will withdraw the term "filibuster."

Mr. Chairman: Stick to the amendment. Move right along.

Mr. Rotenberg: Some bills are taking a little longer than they took at other times in this House, as with the bill for Muskoka the other night when we dealt with an amendment and then had the same debate over again on the next amendment. I will put that aside.

There was agreement by myself and the two opposition critics to have this bill given second reading this spring session and to send it to committee. I consented, I believe, at the request of both my opposition critics to have this dealt with in a committee over the summer and have it passed and back in this Legislature by fall. That deals with the question of when it was scheduled to be done.

I still hope the House will work out a reasonable length of time so Bill 11 can have reasonably quick second reading in the House and be out to committee, as we did last fall with the Planning Act. I believe the members opposite will indicate there was a good, full and free hearing and debate on the Planning Act because we got it past second reading. That is what I tried to arrange in the true democratic spirit.

As far as the question from the member for Port Arthur (Mr. Foulds) is concerned; yes, Bill 11 does restrict the fees on licensing because licensing should not be a method of raising money. That would allow a municipality to impose restrictive fees through licensing and would allow municipalities to discriminate by fees as to who can be in business. Those who have a little more money could be allowed to be in business and those who are struggling to get into the business could be prohibited from getting in by the fees.

It is the same with having certain restrictions on location and hours. We do not feel it is proper under a licensing bill, where there is no appeal to a municipal board as there is under zoning, to allow a municipality to put on certain restrictions by licensing when they should go by zoning.

I am really surprised at the member for Port Arthur and his party. They are always trying to fight for the less fortunate, the underdog, the poor and the new person. I am surprised they would support the sections in this private bill by the city of Toronto which are clearly open to discrimination. They clearly give the city of Toronto power to discriminate between one person in business and another and to favour one person over another. It is these restrictions of the bill that I do not favour. I am surprised the member for Port Arthur would not agree with me.

Mr. Haggerty: Mr. Chairman, I just want to go to the point on which the parliamentary assistant said a licence is not a method to make money for municipalities. I am looking at the terminology of licensing. The parliamentary assistant should look at some of the licensing practices now carried out through other government agencies. I am thinking particularly of the Nursing Home Act and the licence that applies there.

In many places in small municipalities the people who are now running these operations and residences providing services to the elderly people are being phased out of business. The licence is being purchased by some big operator

at \$10,000 to \$15,000 a bed. A licence is a permit or privilege to be able to operate a motor vehicle or a nursing home, but there should be no value attached to that licence.

Mr. Foulds: Mr. Chairman, I would like to ask the parliamentary assistant if, when Bill 11 is duly passed by this Legislature and referred to committee as the parliamentary assistant indicates, and when it is amended in that committee by a majority vote, narrow though it may be, do you plan to go through the same charade by referring it to committee of the whole? Will you refer it there where you can gut it again as you have done to this bill after section 5 was passed by a majority in committee?

You have a double standard. What you are saying is, "Trust us." What I am saying is, "We do not trust you." The history is not good. You have betrayed the democratic parliamentary process in committee on the section before us and we suspect very much you will do that to us in the future.

9:10 p.m.

As for the point about the discriminatory ability of a municipality to license, that is of course the Tory view that he expresses, and we recognize that as such. He is saying government people at the provincial level are far more objective and more even-handed in handing out licences that any municipality is going to be.

He is also saying that here at the provincial level they are wise enough to know what the licensing abilities and the licensing requirements are in municipalities as widely spread as Toronto, Timiskaming, Kirkland Lake, Kenora, Dryden and Port Dover. He is saying they cannot do any more than is in section 2 of this bill. This is because those evil municipalities out there, those bad people who are elected at the municipal level, will institute licensing requirements and licensing bylaws that are discriminatory.

What he is displaying is a complete lack of faith in the municipal government system; and frankly, I am ashamed for him.

Mr. Chairman: Shall section 5 stand as part of the bill?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

On section 6:

Mr. Rotenberg: Mr. Chairman, I think the same principles apply to sections 5 and 6. In dealing with section 5, I believe we have dis-

cussed the principles on both sections. Rather than put a motion where the procedure seems to be analogous, it seems to me we should not vote for section 6.

Interjection.

Mr. Rotenberg: I would ask you to put the question on section 6, and I would ask members to vote against section 6 for the same reason that I advocated voting against section 5.

Mr. Chairman: Shall section 6 stand as part of the bill?

All in favour say "aye."

All against say "nay."

In my opinion the nays have it.

Section 6 shall not stand as part of the bill, and the appropriate sections shall be renumbered, according to my understanding.

On section 7, as renumbered:

Mr. Chairman: Shall old section 7 stand as part of the bill?

Mr. Nixon: Somebody should say something about section 7, because the council is in such a state of furore about having the right to organize a sesquicentennial for the city of Toronto.

It seems strange that the Municipal Act does not allow a municipality to organize some nice little celebrations of their own anniversary. Would the parliamentary assistant assure us that other towns and cities that are coming up to substantial celebrations of this type would have the power and the right to go forward under the Municipal Act in something as reasonable as to organize a celebration?

Actually, it seems to me that if the city of Toronto is going to celebrate its 150th anniversary, maybe even this government might deign to either kick in a few bucks or a few ideas. Maybe Mr. Rotenberg would like to be chairman of a committee to recognize the sesquicentennial of Muddy York on behalf of the whole province since we are so proud of this town—and I really mean that.

But it seems to me the section is redundant. There has to be some footling adviser somewhere who is asking for this section, which obviously we are not going to deny them; but I do not see where the Legislature gets off saying to Toronto, "Yes, you may celebrate your sesquicentennial"—that absurd word.

Mr. Rotenberg: Mr. Chairman, first, I would be more than pleased to organize the sesquicentennial party of the Nixons representing Brant-Oxford-Norfolk. I think we are up to about 150 years.

There is no question any municipality can

celebrate any anniversary they so choose. The reason the city of Toronto requires private legislation is not to have the celebration, but to set up a board of nonmembers of council, with such a board being able to expend public funds and to set up the terms and conditions of such a board.

The reason for the legislation is to set up this board which will be a semi-public body set up by the council and to have this board able to expend public funds and be subject to city audit and all of the conditions of a public board.

The act is to set up the board, not to have the celebration.

Mr. Chairman: Dealing with all of section 7:

Mr. Foulds: I wonder why the government feels it necessary to have this clause brought in every time a municipality feels it needs to set up such a board, which I assume is a nonprofit organization.

I remember very well when the city of Thunder Bay wanted to establish an authority to run a mall in what is known as the old city of Fort William they had to bring in a private bill to do that. The city has had to amend that private bill twice.

Surely it makes some sense to have it in general legislation. As Bill 11 is going to be brought in to amend the Municipal Act in any event, why not bring in a piece of general legislation that gives municipalities the authority in effect to set up little nonprofit crown corporations?

Is it because that runs against the philosophy of the Conservative government, the Conservative government that has bought into Suncor; that has Ontario Hydro, the largest crown corporation ever assembled in the country? Surely if it is good enough for a Tory government to set up crown agencies, boards and commissions—so many so that at one time three or four years ago they did not know how many there were—surely it is acceptable, not only for the municipality of Toronto as outlined in this bill, to be able to set up such a board for one event, this 150th anniversary or birthday or whatever, but that is the kind of power a municipality should have in general legislation, whether it is for this wonderful, marvellous, multicultural city of Toronto or whether it is for a municipality such as that of Shuniah, Dryden, Port Dover, Windsor or Bewdley.

Mr. Rotenberg: Just to respond to the member for Port Arthur, as he knows and all members know, the Municipal Act is a very

long, complicated and cumbersome act. The Municipal Act is basically a permissive act. A lot of the matters in the Municipal Act which give general powers to municipalities arise out of requests from municipalities to have further powers.

A lot of them arise when municipalities ask for certain private legislation. When a municipality asks for it and then a second one asks, the ministry says, "Hey wait a minute, that is a good idea, certainly we are giving them the powers and we should adopt it in general legislation."

I think the member for Port Arthur should know—and certainly those who have been the critics of this ministry will know—that over the past few years since I have been here in this municipal affairs ministry we have brought a number of things into general legislation, giving general powers arising out of requests from municipalities, from the Association of Municipalities of Ontario in general or from individual municipalities.

I think the member for Port Arthur's point is well taken. This is the first time I have seen this type of request in the three years I have been parliamentary assistant to the minister. There may be others, and he has mentioned one of which I was not aware. The point is well taken.

In our review of municipal legislation this will be one of the things we will review. If we can write some general legislation which will encompass reasonably the powers of municipalities to set up these kinds of boards for special celebrations, I think this is something that will be going into the hopper and be forthcoming shortly.

I have no objection. I do not think the ministry has. It is just that the request has not come that frequently and in our legislation, as he can understand, it is somewhat difficult to get our legislative program through all the hoops to get it before the House and passed.

There are a number of requests from the Association of Municipalities of Ontario and from the municipalities generally, to add to their powers and to give them broader powers and more autonomy. We are responding to these as quickly and reasonably as possible. This one will get on the list and in the not-too-distant future there will be some legislation forthcoming, after discussion with AMO and the municipalities, to give them some general powers along this line.

9:20 p.m.

Mr. Chairman: There are a lot of subsections,

20 to be exact, to section 7. Can I presume that all of section 7 carries?

Section 7, as renumbered, agreed to.

On section 8, as renumbered:

Mr. R. F. Johnston: Oh now you've touched a nerve.

Mr. Chairman: We have something wrong with the title. I knew it; the title is wrong.

Mr. McClellan: Are you trying to hasten us along? I just have a couple of questions for the parliamentary assistant.

Would the parliamentary assistant explain the purposes of clause 8(2)(a).

Mr. Chairman: You are talking about old section 8, as has been pointed out to me now.

Mr. McClellan: Clause old 8(2)(a).

Mr. Rotenberg: Mr. Chairman, in the bill before us section 8 says: "The act comes into force on the day it receives royal assent." I am not too sure what the member is talking about.

Section 8 in the bill before us, which is Bill Pr3, says, "The act comes into force on the day it receives royal assent." That is the reprinted version and that is what is before us.

Mr. McClellan: Has section 8 already been taken out of the act.

Mr. Rotenberg: What was section 8 in the bill the member has before him, which was the bill before the committee, is not before this Legislature at this time.

Mr. McClellan: My goodness, does he mean to tell me I am just at the mercy of whoever puts the bills in our books? Whatever happened to the section on the limitation of election expenditures. Was that deleted in committee?

Mr. Rotenberg: Yes, that was deleted in committee. That section is before the Legislature in general legislation. I do not know what the bill number is. It was introduced several weeks ago and it is our hope that will be dealt with before we rise this spring.

Mr. Chairman: Does that answer your question?

Sections 8 and 9, as renumbered, agreed to.

Bill Pr3, as amended, reported.

CITY OF MISSISSAUGA ACT

Consideration of Bill Pr7, An Act respecting the City of Mississauga.

Mr. Kennedy: Mr. Chairman—

Mr. Chairman: I am curious about what you are going to say. Are you talking to section 1?

Mr. Kennedy: No. Are you starting with section 1?

Mr. Chairman: That is what we usually do.

Mr. Kennedy: It is with respect to section 3, Mr. Chairman.

Mr. Chairman: Maybe we can move right along.

On section 1:

Mr. Nixon: I just want to point out, Mr. Chairman, that the Parliament of Canada had a major revolt about a bill that encompassed too many concepts in one act. Here, in one section we are dealing with dog control, barbed wire, parking, fill and places of amusement. It seems to me that section 1 is a real dog's breakfast in more ways than one.

I was wondering how the other municipalities have dealt with things like dog droppings without the direct approval of this honourable House and why Mississauga has to have our concurrence in a matter of this import.

Mr. Rotenberg: First, I would indicate that the number of subsections in section 1 were drawn by the city of Mississauga and not by this Legislature. This is a private bill, not drawn by the ministry or by legislative counsel, but by Mississauga.

Mr. Nixon: Then why are you conducting it through the House? Surely you are taking responsibility.

Mr. Rotenberg: I am making comments. You have asked a question. As the honourable member knows, I am sure—

Mr. Nixon: You cannot have it both ways.

Mr. Rotenberg: As the member knows, I am sure, the general responsibility for municipal private bills is under the Ministry of Municipal Affairs and Housing.

Mr. Martel: But these are private bills. Why do you not deal with these in committee?

Mr. Chairman: Okay. You are finished? Let us carry on. Any further discussion on section 1?

Mr. Martel: Before you start, Mr. Chairman, on a point of order: First of all, Mr. Chairman, I do not understand what is going on. If they are going to deal with private bills the place to deal with them is in committee. And they did; they messed it up, and now they come up here and they start to play around. Why not send it back to the private bills committee? Or can you not get the votes you want down there? You certainly outnumber the opposition, so what are we going through these shenanigans for in this

forum? We have wasted now an hour and 25 minutes on something that should have been cleared up in committee. If you blew it in committee that is not my fault.

Interjections.

Mr. Chairman: Order. Order.

Mr. Martel: This is very unusual. When my friend says it is up to the parliamentary assistant dealing with municipal affairs to present private bills, that is something new. I have been here longer than you—

Mr. Chairman: The member for Sudbury East, order. Order. Cut the mike. Thank you.

Mr. Martel: It is just a shemozzle.

Mr. Chairman: I cannot solve that problem. What am I supposed to do? I am just trying to run this through the committee of the whole House.

We are dealing with section 1. Is there any further discussion? Shall section 1 carry? Carried.

Interjection.

Mr. Chairman: Oh.

Mr. Haggerty: Why do you not move your chair back a little bit? Perhaps you will see every member here, Mr. Chairman. Or get different glasses with wider lenses or something.

Mr. Chairman: Yes.

Mr. Haggerty: The member for Brant-Oxford-Norfolk raises a valid point about a bill that has four or five pieces of general legislation in it. Under section 1 the municipality has the authority to pass a bylaw that prevents dogs from running at large. I think that should be pretty well covered under a special bylaw, because under that dog control bylaw they have to leash the dog, buy a licence for it and—

Mr. Nixon: And they have to scoop.

Mr. Haggerty: Yes, this is the stoop-and-scoop bill, is it not?

Mr. Rotenberg: Do you see anything wrong with it?

Mr. Haggerty: But I bring to your attention, Mr. Chairman, that sometimes with these private members' bills there is already legislation they can expand on without coming before the Legislature here to incorporate it in another omnibus bill.

Interjection.

Mr. Haggerty: You've got it.

Mr. Chairman: Shall section 1 carry?

Sections 1 and 2 agreed to.

Mr. Chairman: There is a amendment to section 3? The member for Mississauga South.

Mr. Kennedy: Mr. Chairman—

Mr. Martel: Why is the member who is carrying it presenting the motion now? You see? You are playing around with all the rules

Mr. Chairman: Is that a point of order?

Mr. Kennedy: With respect—

Mr. Martel: Not with respect. Nonsense. He was the one who moved the amendments on the former bill.

Mr. Kennedy: With respect, anyone is allowed to comment on a bill.

Mr. Chairman: Order. Order. I had recognized the member for Mississauga South.

Mr. Haggerty: On a point of order, Mr. Chairman.

Mr. Martel: What kind of silly bill are you skating over there?

Mr. Chairman: Order. The member for Mississauga South, we have a point of order from the member for Erie.

Mr. Haggerty: Mr. Chairman, you are kind of cutting the ice, is right; you are skating through everything. I bring to your attention that when you go down a bill you go "clause (a), carried; (b), (c)." I was going to get into (d) of section 1 there, but it stopped someplace. That is where the matter of "regulating the parking on highways, or any part thereof, within residential zones in the municipality of vehicles, or any class thereof, having a gross vehicle weight, as shown on the permit for the"—

Mr. Chairman: Member for Erie, I am at your mercy. I am most accommodating but I would like to think it was carried.

Mr. Haggerty: I want to bring a valid point to you. You are talking about 3,000 kilograms. If we are looking into the area of metric weights and measures, there are about two different approaches you can take to metric weights. I bring to your attention that I think we should have stated in there that 3,000 kilograms equals—what? Two thousand pounds? It would have been nice to be able to say in the bylaw that it equals 2,000 pounds, because many people do not know what 3,000 kilograms are. I am sure the member for Leeds (Mr. Runciman) would support me on this.

9:30 p.m.

Mr. McKessock: As a point of clarification on the 3,000 kilograms, this was well aired in committee. We certainly agreed that the

municipality should have the right to pass bylaws to take care of the dog-droppings and barbed wire; also the parking of trucks on the streets. The 3,000 kilograms would be about 6,000 pounds, which would mean a three-ton truck. They are not being prohibited from stopping on the streets for a short time, but they are not to be parked overnight. It was agreed that three-ton trucks cannot be left on the streets for any length of time.

On section 3:

Mr. Chairman: Mr. Kennedy moves that section 3 should not stand as part of the bill, and that sections 4 and 5, therefore, should be renumbered accordingly.

Mr. Kennedy: With respect to that amendment, the ministry feels the municipality now has adequate powers under the Planning Act. In regard to this section, I visited with the council which ultimately gave consideration to the request for the deletion. I was informed yesterday it was quite agreeable to them, but they did wish the rest of the bill to be processed.

Mr. Nixon: So there was a little bit of blackmail.

Mr. Kennedy: No, we had a discussion.

Mr. Haggerty: Mr. Chairman, the matter was discussed in some detail in committee, but I cannot recall that council wanted it deleted at that particular time, because it dealt with video games and the problem they are causing throughout not only Mississauga but other municipalities, and on how to control these game shops, particularly in relation to their closeness to school grounds. The reason they wanted this particular section in here was in order to give residential zones some quiet and peace and not have a number of youngsters there at all hours of the night playing video games and causing a disturbance in the community. They wanted to restrict locations to defined areas of the municipality.

I cannot understand why the member would stand up tonight and say he does not support it when there are difficulties within a number of municipalities. I thought this was a stepping-stone, and many other municipalities would be applying similar legislation or bylaws controlling outlets of this nature. I think it is time municipalities had a right to control what may be considered a nuisance in a number of municipalities. I suggest that the parliamentary assistant said this was going to come under Bill 11, or he was going to bring in special legislation.

Mr. Nixon: No way.

Mr. Haggerty: No way. In other words, these game shops are going to be allowed to run rampant in municipalities, without any control. I would like to get the attention of the parliamentary assistant. I thought he said some new legislation was coming in that would give tighter controls to municipalities for this type of outlet, because it is blanket coverage across the board. I understood from the representation made by the city of Mississauga it was a rather important piece of legislation, particularly section 3 of the bill, which was most important.

Mr. Martel: Mr. Chairman, I am disturbed. First of all, I believe my friend from Mississauga said that today the council finally indicated it was prepared to accept what his ministry wanted. I do not have a copy of that motion. Until this very moment, I had no knowledge they were going to try to delete a section in Bill Pr7.

Mr. Nixon: They are voting against it.

Mr. Martel: Just a moment. It had gone through committee with approval. For whatever reason, the government started to lean on Mississauga a little. Today my friend tells me that, having met with them, he found out the council was prepared to accede to the minister's request.

Mr. Nixon: He threatened them with no bill at all.

Mr. Martel: I believe what my friend tells me. We sit in opposition as we are supposed to, without a copy or an indication of what the government's intentions are.

Mr. Rotenberg: You had that motion. That motion was filed on Tuesday. The critic had it.

Mr. Martel: I have not seen it.

Mr. Rotenberg: The critic had it.

Mr. Martel: My friend just said the council finally acceded to the request today.

Mr. Kennedy: Not today.

Mr. Martel: That is what he said. Go back and check Hansard. I listened carefully and I am glad my friend tells me the council has indicated it is finding it acceptable. What I find strange is that we are going through these shenanigans tonight on something that has gone through committee and was accepted in committee. Now you are changing the name of the game without council coming back before the committee to indicate to all parties that it finds it acceptable or that it does not find it acceptable.

This is a new wrinkle that I find more than a little distasteful. I am almost prepared to stand the bill down until we get confirmation in

writing from the council that it is prepared to accept it.

I find the whole procedure here this evening more than a little disturbing. I have checked with my friend from the Windsor area who has been here about the same number of years as I have and I cannot recall this sort of procedure. I am sorry but I cannot. I also cannot remember somebody telling me the parliamentary assistant carries bills. Who carries a bill with respect to the Attorney General? Is it his parliamentary assistant who carries a private bill if there should be one?

The whole thing is crazy. Sections approved by committee have been deleted on both bills and we are really not in a position either to support or condemn. We do not know what the reactions are of the municipalities. It is a bad scene. We are simply not in a position to confirm it. I accept my friend's word, but I would feel much more comfortable if the critic responsible for this deal had an opportunity to phone the solicitor for Mississauga and ask: "Did they lean on you, and how hard did they lean on you? Was it accepted willingly?" I suspect they were told either to remove the section or they would not get the bill through.

Mr. Kennedy: No.

Mr. Martel: You tell me, "No," but I cannot confirm it at this 11th hour. You got it through committee. That is where it should have been dealt with, not here, tonight. That is why we have a committee for private bills. You are playing games with both of these bills tonight. You can give me all the assurances in the world and it does not matter a tinker's damn. There is a committee to deal with it. If you could not carry the vote, that is not my fault.

You should take it back there and deal with the bill properly. You do not make a mockery of everything in here just to suit your own fancy. It is a dangerous precedent. It should not be tolerated and I would ask you to so rule, Mr. Chairman.

Mr. Nixon: Mr. Chairman, I would like to speak to the point, if I may.

Mr. Chairman: We are not talking about any point. We are just talking about section 3 being deleted.

Mr. Nixon: Then I will speak to the section, if that is all right. It is not a motion to delete. Have we got that settled?

Mr. Chairman: That it shall not stand as part of the bill.

Mr. Nixon: Right.

Mr. Martel: It is not acceptable.

Mr. Nixon: He is voting against it. He is not moving that it not stand as part of the bill. Is that right? There is no motion before you other than the section.

Mr. Chairman: That is right.

Mr. Nixon: There is a precedent for what has happened, certainly. I think the member for Mississauga South would remember it because it had to do with a private bill dealing with the University of Toronto.

9:40 p.m.

I can well recall when the arguments were put in the private bills committee, as it then was, that there actually be a student on the board of the university. That was absolutely unthinkable. But the argument was put so strongly by a couple of very effective students, at the time, now defeated NDP candidates, that it was agreed by the committee that a certain number of students under specific circumstances be put on the board.

It came back. The Minister of Colleges and Universities found that unacceptable and when the bill was reported to the House, he directed it to the committee of the whole House and undertook the arguments which resulted in the reversal of the position that a student be on the board.

It is interesting to note that the following year, the government saw the usefulness of having students on the board and brought in its own legislation. There is precedent for the procedure, but under those circumstances it was, I suppose, a matter of high policy. If it is a matter of high policy that we deal with dog do and stringing barbed wire, and stuff like that, it is an indication of how the management of public affairs by the Conservative Party over 40 years has disintegrated.

The point has been well made by the member for Sudbury East. There is a clearly understood procedure: The bills are given first reading. The parliamentary assistant seems to have all the legislative responsibility for these matters. We never see his minister around here at all. He has, I suppose, the right and the responsibility to read the bills when they are introduced—and they sit around in the book for a good long time.

If there is a problem, the minister could go to the member from the area—after all, these are private bills—and say: "Will you check on this?"

The government does not like this.”; or, “I as the parliamentary assistant am recommending to the cabinet that we bring in general legislation” and so on. Quite often those things can be either withdrawn or amended by the parliamentary assistant actually reading the bill before he comes into the House to deal with it, or at least until it is dealt with in the committee.

Certainly there are members here who can recall that the private bills committee always commanded the attendance of the Minister of Municipal Affairs, who sat with one official and commented on each bill as it came forward. I am talking about the highly respected Wilf Spooner, who did not come in and say, “This must not pass or John Roberts or Leslie Frost will have a conniption fit.” He simply indicated the reasons that the specific sections should not pass.

His own colleague would usually follow his advice. As a matter of fact, opposition members considered his views with a great deal of respect indeed. Perhaps we did not follow his advice quite as often as his political colleagues did, but he would give his best shot in that committee, and then the committee would vote—surprisingly on quite a nonpartisan basis.

I can well recall one occasion when it was his opinion that stopped Ballard’s predecessor from building an overhang on Maple Leaf Gardens into Wood Street, when everybody in the Tory party and a lot of people in the opposition parties were quite anxious to have it happen because there would have been a lot of new gold seats and they figured they might get on the short list to buy them. It was Spooner who said that this was an unnecessary encroachment on a public right of way. And, by golly, that section did not pass, although it had previously been supported on all sides.

My point is this: The parliamentary assistant has the special responsibility to represent the view of the government at the private bills committee. If he cannot satisfy a majority of members of the committee that he is right then, I agree with the member for Sudbury East, the process of bringing it back here and applying special and unnecessary, really unacceptable pressures, on the council concerned to withdraw or at least not object to the withdrawal of certain sections, does not do a great deal of honour to the representatives of the government so concerned.

The city of Toronto is very anxious to have approval for this board to conduct its sesquicentennial. It did not want anything to interfere

with that and it was quite prepared to give up the licensing powers so that it could get at least something it considered essential.

I suppose it is the same for Mississauga on this particular bill. It wants the right to pass its dog bylaws and all the rest, but if the government says, after it has been through the procedures of the committee, it cannot have a bylaw that will restrict the location of video game houses and stuff like that, I suppose council members figure, “We will have to settle for what we can get.” I used the word “blackmail.” I can imagine the people going back to the council and saying, “Look, you can have the easy part, but if you stick out for the other, you won’t get anything.”

I would say to the member for Mississauga South, “Don’t kid me.” I have known him for a long time; there is not a straighter person, in every respect, in the Legislature. There is no doubt about that. He would say, “Look, you are not going to get that section and don’t object.” I really feel that it is rather cruel and unusual to put the honourable member in such peculiar circumstances. The whole thing should have been worked out in the committee. That point has been made clearly.

The government puts its best shot. For heaven’s sake, it commands a majority of the members there. They listened to all the arguments and somebody in the Tory party, if not all of them, must have rejected those arguments and voted for the inclusion of this section. The government members come into the House and people are assigned on a roster basis to sit here, sign their mail, read their newspapers and do all that stuff, knowing that when the vote comes, the government whip can ring a bell and they will all come out of the woodwork and vote, “Ready, aye, ready.” They say: “Gee, we cannot have Mississauga having the power to direct their video games. That’s terrible.”

The process is broken down, and I must say to the parliamentary assistant that, in the absence of the minister—that phrase we hear so much—it is his responsibility and he has shirked it; he has given it off. It is now in the hands of the honourable member who lounges in the far seat there—any further and he would be right out. He is the guy who should have done a better job on these bills. I really do not like the process.

The chairman is getting very worked up. He feels we are wasting time.

Mr. Chairman: Right, we are wasting time. Are you finished?

Mr. Nixon: No, I am not finished. “Cut off his microphone.” That is the order he gave to some

other member here. Good Lord, what will be next? All right, but I am just telling you this: if you think we are wasting time, I do too.

This should have been finished in the committee and, if the committee voted to include that after the government made its argument, then it should be democratic enough and have a commitment to local autonomy, both in the municipality and in the committee, to realize that it is the will of the community, the will of the Legislature, and it should not be reversed by this artificial application of the majority, which the government is prepared to wield under these circumstances.

Mr. Kennedy: Mr. Chairman, I want to assure honourable members that there were no deep, dark reasons, such as those that have been attributed to this motion, as to why this section should not be included in the bill. I am aware of how it went through committee but, unfortunately, it was not possible for me to be there.

As I indicated earlier, the reason for the motion is that section 3 of the bill is redundant. Both the city of Toronto and the municipality of Scarborough have bylaws that control the operation of places of amusement, as is included in the section here, so in this respect it is redundant.

Not only that, but some honourable members may know this was referred to the Ontario Municipal Board. I will just quote a couple of lines from the OMB decision with respect to the capacity of the bylaws of the city of Toronto and the municipality of Scarborough to control the operation of places of amusement. In support of this assertion, the board quoted a 1979 court decision that stated:

9:50 p.m.

"Under section 35(1) of the Planning Act, authority is clearly given to a municipality to prohibit the use of lands for any purpose so defined or to prohibit the use of lands generally except where such purposes are expressly authorized. Therefore, the city has the power to prohibit any industry or any use and to single out one use over others if it so desires. That power is subject to the approval of the OMB. It is not open to a court to determine whether the exercise of the power of the city was reasonable or not. For the same reason, I am of the opinion that the city has the power to discriminate against one section of an industry as opposed to another."

The point is that the authority is clearly given

under that section of the Planning Act to control it; so the section becomes redundant.

Regrettably, I could not be in committee that day, and that is the reason for bringing this forward. I certainly support our municipality and others having the power for this control. There is no way I would not support the city in this. That is why I said to them: "We have a problem of redundancy and duplication. What are your wishes?"

Mr. Nixon: Nobody over there read it. Only you saw it.

Mr. Kennedy: I cannot answer for what happened in the committee. That is the reason.

Mr. Martel: Mr. Chairman, my friend illustrates the problem. He has the material before him, and that material should have been presented in the appropriate arena, the committee, so members would have had that material before them. One considers the bill, on that point, on that material. I strongly resent that we are here in an improper forum considering a private bill.

It is a simple matter to refer it back to the private bills committee, have them look at it and make a determination. They can then come into the House and simply get third reading. It is up to the committee that is reviewing a whole bill and knows the contents of that bill to make the decisions. What are we going to do? Are all private bills going to come up here now in this fashion? From here on in, every time—

Mr. Nixon: Bud needs a researcher all to himself.

Mr. Martel: He could certainly use one or two. You are tripping over the staff over there as you try to get to your office door, and yet you cannot even come in here prepared. It is just silly to do this with private bills. We have spent almost two hours on something that should have gone through in about two minutes, third reading of bills.

Hon. Mr. Gregory: This is like the orphan who murdered his father and mother and then claimed welfare on the basis that he was an orphan; you're doing all the talking.

Mr. Martel: With that response, I would move that we rise and report and send this back to the appropriate committee.

Hon. Mr. Gregory: You cannot move that we rise and report.

Mr. Martel: I certainly can. You had better check.

Mr. Chairman: The member for Sudbury East has put the question that the committee rise and report.

Mr. Nixon: Can't you settle this with fisticuffs or something? Trudeau had a really good idea there. How about withdrawing that and making some other insults for a while and then we will carry the thing?

Mr. Martel: I do not want to be insulted.

Mr. Nixon: I know, but don't move that. We don't want to ring the bells now.

Mr. Chairman: May I implore the member for Sudbury East? A few more insults and we will carry on.

Mr. Martel: Are you sorry, Bud? He's not sorry.

Mr. Chairman: One more time.

Mr. Martel: I will withdraw my motion.

Mr. Chairman: Thank you.

Mr. Swart: Mr. Chairman, I do not accept the explanation of the member for Mississauga South with regard to the withdrawal of this section. It is not redundant. I suggest this section is different from the general legislation, whether we are talking about the Planning Act or the Municipal Act.

Mr. Cooke: The parliamentary assistant knows it.

Mr. Swart: Yes, and he knows it very well. This section refers to passing "bylaws prohibiting the location of places of amusement, or any class or classes thereof, on land abutting residential zones . . ." If there is a commercial area and it abuts a residential zone, one cannot be selective in that commercial area and say you cannot have this amusement arcade immediately adjacent to a residential zone. You can put it in there any place.

Sure, you can zone your municipality. You can determine what you will have in a particular commercial zone or whatever the case may be, but you cannot say you can have that in only one section of that zone. So this goes further than the general Planning Act does.

I suggest that we have to look a little bit further for the proposed withdrawal of this section than just the fact that it is redundant. There are many municipalities that would like to have this kind of legislation so they would have some kind of control over abutting properties. I suggest that is the exact reason that you do not want this to go through at this time: because it will set a precedent. It goes further than any

general legislation you have at present, whether it is the Planning Act or the Municipal Act.

Mr. Haggerty: Mr. Chairman, the member for Welland-Thorold has covered the points I was going to suggest to you and the members.

We did have representation from the public. A social worker appeared before the committee, and he showed some deep concerns about the amusement arcades, in particular the video games, that are close to the schools. He thought that they would have a serious impact upon a youngster's education and that the hours spent in there should be spent in the classroom.

Looking at this section, all it says is, "The council of the corporation may, in addition to its powers under paragraph 6 of section 232 of the Municipal Act, pass bylaws prohibiting the location of places of amusement, or any class or classes thereof, on land abutting residential zones in the municipality or defined areas thereof or for restricting the location to defined areas of the municipality."

I raised the matter about zoning and restricted area bylaws that enable a municipality to introduce and apply certain restrictions on certain lands. In this circumstance, the impression I got from representations made to the committee was that these are existing commercial buildings or some buildings that may be vacant, where somebody wants to move in and set up shop. People may not realize the type of shop or the type of business that is opening up, and the first thing you know it is an amusement arcade. Sometimes they are not too well accepted in certain residential areas. It causes some difficulties with residential areas.

The problem is that there is no way of controlling these amusement arcades. The municipality definitely indicated they wanted to have some control over them. I thought section 3 would give this municipality the right to control such amusement outlets. Other municipalities that are having difficulties with bringing these types of amusement games under control could use this as a stepping stone to follow the same principle of this private bill.

I supported it, and I still think it is important that it should remain in the bill. I still cannot follow the reasoning put forward by my friend the member for Mississauga South. The intent is good and it should remain in there unless the government or the parliamentary assistant can come up with some other measure to give municipalities the right to control such outlets within a municipality.

It is a problem across all of Ontario. Some

regulation is required. This section would give it to them. It is good. It does not say that "they shall" but that "they may," and where a problem arises within that municipality, even under a rezoning bylaw or a restricted area bylaw, they would still have the opportunity to come forward with this section to apply some rules to the game. I suggest that it is good and that we should carry it.

10 p.m.

Mr. Chairman: All those in favour of Mr. Kennedy's motion that section 3 not remain as part of the bill will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Sections 3 and 4, as renumbered, agreed to.

Bill Pr7, as amended, reported.

Hon. Mr. Gregory: I move the committee rise and report.

Mr. Chairman: What are we doing?

Mr. Rotenberg: We have another bill in committee, Bill 9.

DISTRICT MUNICIPALITY OF MUSKOKA ACT (continued)

On section 4:

The Deputy Chairman: This is Bill 9, an Act to amend the District Municipality of Muskoka Act. We were on section 4, with an amendment on the floor that had been moved by Mr. Epp. It has been moved; so we are in the process of discussing that amendment. To refresh the members' memories, the amendment reads:

"I move that the bill be amended by adding thereto the following section:

"4(1) Subsection 7(1) of the said act is amended by striking out "or any other person" in the fourth line; and

"Subsection 7(2) of the said act is repealed; and

"Subsection 7(3) of the said act is amended by inserting, after 'chairman' in the sixth line, 'from among the members of the district council.'"

Mr. Epp further moved that sections 4 to 14 of the bill as printed be renumbered accordingly.

Mr. Swart: Mr. Chairman, we spent considerable time on the second reading of this bill discussing the issue of whether the regional chairman should be an elected person. There certainly was agreement on this side of the House that that person should be elected, and I and five, six or seven of my colleagues stood up

to speak against the proposal in the bill that would continue the option of that person being an elected or an appointed person.

Now we have come to the bottom line. It is exceedingly important; if we believe in this principle of democracy, if we believe that the most important person in the municipal government should be elected by at least part of that regional municipality or district municipality, then we have to support this amendment.

It is really almost that simple. Do we really believe in accountability of people who are spending the public funds and making the decisions in municipalities? I and my party say yes, and we are going to be supporting this amendment.

Mr. Rotenberg: Mr. Chairman, as this is a government bill, and I am carrying it for the minister, I hope it is okay that I speak to the amendments.

As the member for Welland-Thorold (Mr. Swart) pointed out so well, we had a full discussion on this matter on Tuesday evening. There are three amendments by the member for Waterloo North (Mr. Epp), all of which deal with the same principle, which is that the chairman of a regional council, in this case Muskoka, shall be a member of council and cannot be a person who is not a member of council, and that if a member of council is appointed as chairman, he must retain his seat.

As I said, we had a full debate on this. I think we went through the issues thoroughly on section 3 and again on section 4. I simply indicate that all the arguments that were made on Tuesday night still obtain, and I urge the House to vote against this amendment.

Mr. Nixon: Mr. Chairman, I wanted to say something in response to a comment made by the member for Welland-Thorold (Mr. Swart) when we were debating this matter previously. He is right: there are three amendments to the bill, all aimed at making the chairman of a regional government an elected person—not necessarily elected at large but as having stood for election in some capacity.

The member for Welland-Thorold very properly pointed out that in the good old days of minority government an amendment, perhaps put forward by himself, had not carried when it could have done in the minority situation if we in the Liberal Party had supported him. I can well recall the occasion, because it broke my blooming heart that we did not support the amendment. I am very glad he is supporting it tonight.

In response to an exchange in the previous private bills, it was brought to our attention forcefully that the bill, which contained certain substantial improvements in grants payable to regional governments for specific purposes, including policing and certain other things, I believe, would not go forward if such an amendment were appended.

Without describing in any detail the discussions that went into the decision of our party not to support the amendment, it was based on a threat; and I am not particularly proud of our response to it. The threat came not from this parliamentary assistant but from one of his predecessors; it was that the bill could not go forward with all the advantages it contained as far as the grants were concerned.

I used the phrase "blackmail" in reference to the government's action on the previous bill. I suppose it was a bit strong, yet it is not the first time that the government has used that procedure. I am not at all proud of the fact that our caucus in its judgement decided that the bill on its other merits should not be destroyed simply by supporting the basis of the election of the chairman.

I thought that bit of a footnote to the indications of the member for Welland-Thorold was appropriate, since I recall the situation very well indeed. Frankly, I think we should have taken the risk.

However, this amendment is supported by both opposition parties. I regret that the government has not changed its policy in this connection. I predict that, in the remaining few months of their jurisdiction, it will.

Mr. Swart: Mr. Chairman, I think a footnote to the footnote is required. I also remember that occasion very distinctly, and I must say to the member for Brant-Oxford-Norfolk (Mr. Nixon) that this reason was not given at that time.

I remember very distinctly the member for Waterloo North saying that they were not going to bring this in by the back door and that the intent of the amendment by the government at that time was not to deal with the election of the chairman and that they were bringing in their own at some later date. Not once at that time was the suggestion made that there had been blackmail or threats.

There were no such threats made to this party at that time. I am rather glad now to have this confession from the member for Brant-Oxford-Norfolk, and I take it at face value, but I wish that when they had the opportunity, and a minority government, they had stated publicly

the kind of tactics that were being used by the government, instead of giving some other excuse.

The Deputy Chairman: All those in favour of the amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 4 agreed to.

10:10 p.m.

On section 5:

The Deputy Chairman: Mr. Eakins, on behalf of Mr. Epp, moves that section 5 of the bill as printed be amended by adding thereto the following subsections:

"5(1) Subsection 10(1) of the said act is amended by striking out 'some person' in the third line and inserting in lieu thereof 'a member of the district council.'

"5(2) Subsection 10(2) of the said act is amended by striking out 'who may be one of the members of the district council or any other person' in the fourth, fifth and sixth lines and inserting in lieu thereof 'from among the members of the district council.'

"5(3) Subsection 10(3) of the said act is amended by striking out 'person' in the third line and inserting in lieu thereof 'a member of the district council.'"

And that subsections 5(1) and (2) of the bill as printed be renumbered accordingly.

Mr. Swart: Mr. Chairman, we state again publicly our party's support of this amendment.

The Deputy Chairman: All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 5 agreed to

Sections 6 to 14, inclusive, agreed to.

Bill 9 reported.

On motion by Hon. Mr. Gregory, the committee of the whole House reported two bills with certain amendments and one bill without amendment.

EDUCATION AMENDMENT ACT

Mr. Dean moved, on behalf of Hon. Miss Stephenson, second reading of Bill 46, an Act to Amend the Education Act.

Mr. Dean: Mr. Speaker, I would like to make a few introductory remarks concerning this bill. It is an omnibus bill containing a number of items on administrative and housekeeping legis-

lation which are required to bring the Education Act in line with the legislation that has been enacted by other ministries with some federal government procedures, new regulations, amendments to existing regulations and so on.

Briefly, the terms in the bill can be summarized under certain headlines:

Trustee remuneration: This arises as a result of a recent study on the role of the trustee with which many of the member of the House are no doubt familiar. The proposal is that, commencing with the school boards elected this year, the trustee remuneration will be determined by the local board. The outgoing board will determine the level of remuneration for the incoming board members, including the chairman.

A second section of general interest concerns adult basic education which contains an enabling provision permitting school boards to provide educational programs in basic literacy and numeracy for adults, not only by providing them directly themselves but also through agreements with colleges of applied arts and technology. This recognizes that some colleges are already active in this area. There are some clarifications of duties of school boards, appointments to committees, acquisition of land for natural science programs, meetings, dissolution and so on.

There are some provisions about elections of trustees and the removal of an inconsistency, a number of redundant words already provided for in the Municipal Elections Act, limiting the ability of a municipal council to divide a municipality into areas for election of trustees, and clarification of residence qualifications. In line with what has already been passed by this House, there is also a provision for the term of office of trustees to be for the same period and for the same time as municipal councillors.

In the area of visa students, that is, students who are not citizens of the country but are studying here on a visa, there is a provision to require boards to charge gross fees when they enrol these students, including persons who are in the country as visitors. The rationale is that the people of Ontario should not be required to subsidize the education of such pupils.

There are some agreements relating to the education of our native people, because of changes in the way of operation of the federal government, which will permit some Indian bands to manage their own affairs financially. The amendments would permit boards of education to enter into agreements directly with Indian bands, instead of only with the crown.

There are several amendments dealing with language advisory committees, and one dealing with the languages instruction commission. There are a number of powers outlined for the minister in the making of regulations regarding teachers, activities of a board, fees for teachers' qualification cards, and so on. There are other powers of the minister authorized by this legislation to delegate certain powers in writing, dealing with the status of pupils who are in work experience programs, approving courses for attendance counsellors, and so on.

There are some more or less housekeeping regulations about schools for the blind and the deaf, a number regarding school attendance requirements, some concerning powers of supervisory officers, and the requirement that the chief executive officer of a board submit an annual report to his board. There are some other general housekeeping matters related to deemed district municipalities regarding taxes in those areas; clarifying the purpose of special meetings of rural separate school boards regarding school sites; voting procedures at the same kinds of boards; an accounting procedure change for transportation; and some correction of references to grades. There is one important matter ensuring that no rateable property is exempt from school taxes through a municipal bylaw, and a minor one concerning the length of the school year.

These provisions in the bill, most of which, as I have said, are of a housekeeping and a cleanup nature, are important to bring the Education Act up to date. I would ask all members of the House to consider carefully and support the bill.

Mr. Bradley: Mr. Speaker, I would agree with the conclusion. Sometimes one has to be careful when a parliamentary assistant or minister gets up and says that items contained in a bill are of a housekeeping nature. However, in this case I would say the overwhelming majority of the provisions of Bill 46 are indeed of a housekeeping nature. Nevertheless they do point to a certain direction on the part of this government, as do most bills that are introduced into this House, and give an indication of a direction or a slant the government is adopting in a particular field. This is certainly true in education.

Just touching on some of the items the parliamentary assistant has brought to our attention as some of the more important provisions of this bill, we look at items such as trustee remuneration. Many of us have wondered for years why members of municipal councils have been permitted to set their own salaries over a

period of time. In fact, they can set a change in salary to come into effect at any time. Why do they have that freedom and members of boards of education do not? We in this party feel it is in keeping with the kind of local autonomy that we believe in.

10:20 p.m.

We think it is a guarded step. If one examines the legislation carefully, as we will once we get into committee, we recognize that a change upwards in remuneration could take place only near the end of a term since it is to be set for the beginning of the new term, for the group that takes office as a result of a municipal election. That will now mean every three years.

With that safeguard the government feels it can allow boards of education to take that one small step. One has to wonder even if it is really necessary to allow increases only at that time because ultimately the electors of a particular area will make judgement on whether the trustees in a specific case have made the right decision. But we feel it is supportable and one of the main items contained in this bill.

I note with a good deal of interest that at any time during the term of office of the board of education the trustees may reduce the salary. However, they may increase it only for the next group coming in. Many of those who are concerned about politicians at all levels advancing their level of pay or benefits which arise from serving in that office would be happy to see that safeguard applied by the Minister of Education (Miss Stephenson).

I suppose we could get into a long debate on adult basic education if we wanted to. There will be some notes made of that. I look at it in terms of basic education and say that the minister has made a movement away from providing what I feel are some reasonable educational opportunities to those outside the regular stream in the system, by drastically reducing the funding for continuing education.

While this touches only a little bit on that, it is nevertheless worthy of note that now this is contained in this bill the minister has, in effect, emasculated continuing education. This has ramifications far beyond what many have anticipated. It is not just the people who are taking jewellery engraving in the high school at night who are affected by this. There are many summer school programs of a noncredit nature for elementary school students which might disappear.

There are, as well, those programs involving folk arts councils and ethnic services which may

fall by the wayside unless the Minister of Citizenship and Culture (Mr. McCaffrey) is prepared to fund them to the same degree as in the past. At least we have had an undertaking from him that he will evaluate that and will provide some funding.

As for other areas, the term of office is a foregone conclusion. We could go through the arguments about why the term of office should stay at two years or go to three years. The fact of the matter is that this Legislature has approved legislation which permits a three-year term for those who are members of municipal councils. To have a different term for members of boards of education would be foolish. They have enough trouble at the present time mustering sufficient interest in municipal elections without fragmenting those elections in such a way as to have them occur in a different year.

In addition to this, one would presume that those matters which must be looked after by municipal councils are somewhat similar in nature to those matters which must be looked after as to boards of education. In this case, what is good for the goose is good for the gander, I suppose, although I have some reluctance about a three-year term.

When I sat on a municipal council that was a great aim. It is pretty self-serving to think that but none of us really likes to go back to the electorate that often. It is a wonderful nuisance that we have, those things called elections. But when it comes to evaluating, simply as a member of the public I would say that the two-year term would have been preferable. But this Legislature has made its decision. I think it is only reasonable that this bill dovetails with the municipal elections for offices in area municipalities, county councils and regional councils.

The fee for visa students is obviously a reaction by the government in a time of economic difficulty. We see the same thing happening at the post-secondary education level. When we have difficulty, when we have high unemployment, when we have reduced opportunities for people, we all get flak from our constituents about "Why are you providing this for people offshore who come into this country when my son or daughter cannot have the same opportunity?"

I suppose you can say that to a certain extent it is retrenchment, but certainly if the government were to take a poll of the people—and the members opposite are well known for the polls they take—they would find this provision would

probably be greeted by many people in this province with a good deal of cheering.

As for the powers of the minister and the delegation of those powers, that is pretty routine stuff.

The school attendance requirements are of interest to me as a former teacher. My former leader would curse me this evening for mentioning it, but I often thought that we moved in a different direction, to say the least, when we started to talk about attendance counsellors and spent a lot of time analysing why students were not there.

I guess it is useful to study and analyse that. But it seems to me we got into a position where we were fiddling around too long attempting to analyse the students and were not spending enough time ensuring those students who were out of school for various reasons, and were of the legal age, were required to be in school; and many could gain some benefit even though obviously in some cases their hearts were not there. Specific provisions are made for early leaving for students who simply cannot function within the regular school system.

It seems to me the suggestions that have been made with respect to school attendance requirements and the obligations of parents or guardians in this regard are positive steps. It is a general lessening of the stringency of our regulations when we do not enforce them; it is the general permissive attitude that permeates our society.

A former director of education who was eventually with the Education Relations Commission, Roger Allen, who has provided a good deal of service to education over the years, often said in his speeches that it is difficult to run a hard school system in a soft society. Nevertheless I always thought the school system was one place where we could attempt to maintain some kind of standards, to perhaps be a little stronger in the enforcement of those things we feel are right in society as a whole, and that we might

lead society instead of simply reflecting it. I am pleased to see those kinds of requirements added with respect to attendance at school.

The other general housekeeping items I will not comment on. There is one that is of particular concern to me, which is not housekeeping in my view, and that is a provision which ensures that no ratable property is exempt from school taxes through municipal bylaw. Once again, those of us who have served on local councils would recognize that our municipalities from time to time have exempted groups such as the Young Men's and Young Women's Christian Associations from municipal taxes with the view that a fine service is provided by that organization and that it was worthy of receiving a tax exemption.

I know the parliamentary assistant will say, as many do in the field of municipal affairs—he has had long experience in municipal affairs; and I believe that my city, if I recall correctly, does what the parliamentary assistant might suggest—that a municipality should provide a grant in lieu. In other words, instead of granting an exemption the city would provide a grant that would have equalled that exemption.

This is one way of doing it, but in many municipalities it might leave the YM-YWCA and other worthwhile charitable groups high and dry because of an unsympathetic council. It is my view that it would be a step backwards. I see the Provincial Secretary for Social Development (Mrs. Birch) here, and I know she is very supportive of volunteer groups in our society. She would probably agree with my contention that it would be desirable to continue to allow the possibility within municipalities of exemption from property taxes.

Mr. Speaker: I direct the honourable member's attention to the clock.

On motion by Mr. Bradley, the debate was adjourned.

The House adjourned at 10:30 p.m.

CONTENTS

Thursday, June 3, 1982

Second reading

Education Amendment Act, Bill 46, Mr. Dean, Mr. Bradley, adjourned. 2338

Third readings

Ministry of Citizenship and Culture, Bill 36, Mr. McCaffrey, agreed to. 2317

Business Corporations Act, Bill 6, Mr. Elgie, agreed to. 2317

Committee of the whole House

City of Toronto Act, Bill Pr3, Ms. Fish, reported. 2317

City of Mississauga Act, Bill Pr7, Mr. Kennedy, reported. 2330

District Municipality of Muskoka Act, Bill 9, Mr. Bennett, reported. 2337

Other business

Adjournment. 2341

SPEAKERS IN THIS ISSUE

Bradley, J. J. (St. Catharines L)

Bryden, M. H. (Beaches-Woodbine NDP)

Cooke, D. S. (Windsor-Riverside NDP)

Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)

Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)

Dean, G. H. (Wentworth PC)

Fish, S. A. (St. George PC)

Foulds, J. F. (Port Arthur NDP)

Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)

Haggerty, R. (Erie L)

Johnston, R. F. (Scarborough West NDP)

Kennedy, R. D. (Mississauga South PC)

Mackenzie, R. W. (Hamilton East NDP)

Martel, E. W. (Sudbury East NDP)

McKessock, R. (Grey L)

Nixon, R. F. (Brant-Oxford-Norfolk L)

Rotenberg, D. (Wilson Heights PC)

Ruston, R. F. (Essex North L)

Swart, M. L. (Welland-Thorold NDP)



Ontario

LEGISLATIVE ASSEMBLY

No. 66

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Friday, June 4, 1982

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

An alphabetical list of members of the Legislature of Ontario, together with lists of members of the executive council, the parliamentary assistants and members of committees, also appears at the back as an appendix.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Friday, June 4, 1982

The House met at 10 a.m.

Prayers.

STATEMENT BY THE MINISTRY

TVONTARIO EXPANSION

Hon. Mr. Bernier: Mr. Speaker, I have copies of my statement for the leaders of the opposition parties.

In November last, my ministry undertook a \$3-million television extension program which will extend TVOntario's broadcasting signal to more than 170 northern Ontario communities.

Today, I am pleased to tell the House that the following 44 communities have received final approval for the installation of television rebroadcasting equipment: Alberton, Attawapiskat, Beardmore, Caramat, Chapple, Constance Lake, Dilke, Eagle River, Emo, Foleyet—

Mr. Laughren: Thank God. You just saved my political career.

Hon. Mr. Bernier: I knew the member for Nickle Belt would applaud that one. I am always looking after you.

The rest of the communities are: Fauquier, Harty, Hudson, Ignace, Jaffray-Melick, Jellicoe, LaVallée, St. Croix Lake, Longlac, Lowther, Madsen, Minaki, Macdiarmid, Mine Centre, Morson, Moonbeam, Mattice, Moosonee, Morley-Pattullo, McCrosson and Tovell, Nakina, Opasatika, Pickle Lake, Rainy River, Ramsey, Redditt, Red Lake, Savant Lake, Sioux Lookout, Sioux Narrows, Val Rita, Vermilion Bay, Whitefish Bay and Wunnummin Lake.

In order to be approved for a low-power rebroadcast transmitter (LPRT) installation, a community must have a responsible and representative group make an application. This group is then required to maintain liaison with TVOntario. The group also undertakes to provide a secure and heated site for the equipment, and to furnish power to run it.

We estimate that by 1983, up to 170 communities in northern Ontario may expect to have LPRTs installed enabling their residents to receive the TVOntario signal off-air and free of charge.

At the moment, communities must be within the Anik B footprint, the area of land covered by the satellite signal, and have a population of

at least 300. With the launching of Anik C later this year, communities lying outside the present footprint will be able to take advantage of the program as well.

We have already begun construction on some of the approved sites and we expect that LPRTs will be installed by the end of this year.

The fact that we have received over 70 applications to date is a clear indication there is a need for a program of this nature in northern Ontario. I am pleased my ministry has been able to respond to the need in a very practical way. The LPRTs are an efficient means of bringing television broadcasting to these communities.

MUNICIPALITY OF METROPOLITAN TORONTO BILL

Mr. Grande: Mr. Speaker, I rise to correct the record. The Minister of Education (Miss Stephenson) in her opening statement on the Municipality of Metropolitan Toronto Amendment Act, 1982, stated, "The negotiations will continue to be carried on—

The Acting Speaker (Mr. Cousens): Is this the place to raise your point? I wonder whether there are other ways for you to do that.

Mr. Grande: This is the only way I know of.

The Acting Speaker: Let me just get to it quickly. Is this a point of order?

Mr. Grande: It is a point to correct the record, Mr. Speaker. Let me quote, "The negotiations will continue to be carried on locally on matters of local concern." The bill the minister introduced absolutely contradicts the statement the minister made.

The Acting Speaker: I feel you are not properly using a point of order and there are other ways for that to be accomplished rather than with this point of order at this time.

Mr. Grande: With due respect, Mr. Speaker, I would like to know what way there is in this Legislature for a minister of the crown to be held accountable—

The Acting Speaker: You will have question period which will start when you sit down and the Leader of the Opposition or his representative begins. You can do it through question period.

Mr. Foulds: On a point of order, Mr. Speaker:

It has been a tradition in this House that when a member felt a minister or some member had put into the record something that was inaccurate, wrong or false, he had the right to rise in his place on a point of order to correct the record when he has the information. That is what my colleague the member for Oakwood (Mr. Grande) was attempting to do before you cut him off.

The Acting Speaker: That is for correcting the record in the House and you are talking about something outside the House. The question period will give you an opportunity—

Mr. Foulds: This happened in the Legislature.

The Acting Speaker: You will have an opportunity in question period. I am not following up on your point of order.

Mr. Grande: On a point of order, Mr. Speaker: There has to be a way to ensure, in this Legislature, that the Minister of Education cannot go on lying to this House.

Mr. Lane: Shame.

Hon. Mr. Eaton: Withdraw.

Hon. Miss Stephenson: That is not true.

The Acting Speaker: I would like to make it clear that the member for Oakwood can correct his own record, but he is not in a position to correct another person's record. There will be question period and he will have an opportunity at that time.

Hon. Mr. Eaton: Withdraw.

Interjections.

The Acting Speaker: I am sorry. I did not hear what the member said.

Hon. Miss Stephenson: He said I was lying.

The Acting Speaker: I would ask the member for Oakwood, if he has used words that he would like to withdraw—

Mr. Grande: They don't understand.

The Acting Speaker: Do you withdraw your statement?

Mr. Grande: Mr. Speaker, there is absolutely no way I am going to withdraw the statement until the minister stands up and makes clear what is in this bill and makes it clear—

The Acting Speaker: I will give the honourable member one quick chance to withdraw the statement attributed to him where he has said the minister was lying. Do you withdraw that statement? I will find it necessary to name you.

Mr. Grande: I cannot because she—

The Acting Speaker: The member is named.

The Sergeant at Arms will remove the member for Oakwood.

Mr. Bradley: That's one way to get on TV anyway.

Mr. Breithaupt: What did you do in the House today?

Hon. Mr. Leluk: Disgusting.

Mr. Robinson: Have a nice weekend.

Mr. Grande was escorted from the chamber by the Sergeant at Arms.

Mr. Kerrio: Twenty to go.

Hon. Miss Stephenson: Mr. Speaker, on a point of personal privilege: If the honourable member had taken care to read the bill carefully, he would note that the only two items to be negotiated centrally in the Municipality of Metropolitan Toronto Act are the two items I mentioned. Because the other items are not mentioned at all, it is still the responsibility of teachers and boards to negotiate the remainder.

10:10 a.m.

Mr. Foulds: On a point of order, Mr. Speaker: If I may say so, I find it extremely unevenhanded of you, Mr. Speaker, to call my colleague the member for Oakwood to order for trying to put this matter on the record and then allow the Minister of Education to go on at length on the same matter. If you are going to rule one way, rule that way consistently.

The Acting Speaker: The member for Oakwood got it on the record and proceeded—

Mr. Foulds: Over your objections, Mr. Speaker. Not because of you. You tried to cut him off.

Hon. F. S. Miller: No, he didn't.

The Acting Speaker: Order. We will now proceed with question period.

ORAL QUESTIONS

SURROGATE MOTHERHOOD

Mr. Conway: Mr. Speaker, it is nice to know that after a short absence, one returns to a situation that is cheerfully reminiscent of when one left.

My first question is to the Minister of Community and Social Services concerning the current debate on surrogate motherhood, particularly as it relates to Ontario.

The minister knows that, presumably some time next week, a non-Ontario resident will be travelling to this city, or so the reports indicate, to bear a child for an Ontario couple, the Ontario couple having paid a reported fee of \$20,000 to a Michigan lawyer.

Apart from the profound ethical and moral questions regarding surrogate motherhood, I want to know what the minister has to say about the policy framework in which this issue has developed. What will the government do as far as surrogate motherhood is concerned with respect to the enforcement of section 67 of the Child Welfare Act which clearly prohibits the exchange of money in consideration of or in relation to the adoption of a child?

Hon. Mr. Drea: Mr. Speaker, I want to make one thing very clear because I know the deputy leader of the Liberal Party would not want to prejudge a case. I think he mentioned that the contract was signed by a couple. It was not signed by a couple.

Surrogate motherhood is a social phenomenon with relatively widespread legal, medical and moral ramifications. The only point at which the government, or at least this ministry, becomes involved in the matter is at the time when any application is made for adoption.

As honourable members know, there are two ways to adopt in Ontario; first, through public agencies like the children's aid societies, or, second, through private adoptions. In this province, private adoptions are regulated. There is a complicating factor because apparently in this situation the claim is going to be made that the Canadian husband is the stepfather and the application for adoption will be made virtually on the same basis as a second marriage adoption of stepchildren.

Any type of private adoption, even one where a stepfather or stepmother relationship is claimed, must be approved by a judge of the provincial court. If the judge of the provincial court feels that there is some question he would like examined, or has some concern about the ability of the couple before him or about the welfare of the child, then my ministry is directed under the Child Welfare Act to do a thorough examination and investigation and report back to the judge.

The judge at that time makes the determination. One of the things we have suggested is that couples who intend to try to have children by this method should explore very, very carefully the legal ramifications before commencing. They may find that notwithstanding a contract which alleges that the payment is for services rendered rather than payment for a child, which the member has already pointed out is prohibited in this province, none the less, the contract is not the be-all and end-all. The birth is not the be-all and end-all.

To really establish firm adoptive rights, you are going to have to go to court. And even beyond that, there is the possibility that the surrogate mother, notwithstanding that she will probably—at least as we understand—be then domiciled in the United States, can come back and re-enter the picture at any time.

Mr. Conway: I want the minister to direct his attention to one of the key issues, if not the key issue, in this case and other cases in this area. This has to do with the payment of a substantial amount of money for arrangement of the adoption and the procuring of a child.

It is my indication that, under the legislation we have, this is clearly illegal. Will the minister stand in his place in this House and tell us how the government intends to proceed with respect to the transfer of these moneys from Ontario residents to lawyers in Michigan for the adoption of a child? Is that illegal? If so, how are the minister and his officials going to proceed in cases that apparently are as close at hand as next week?

Hon. Mr. Drea: I think the member may be a bit optimistic about cases being as close at hand as next week.

First of all, there has to be an application for an adoption before the government can be involved. There has to be an application for an adoption. When the member talks about the section of the Child Welfare Act, when he talks about procurement, sale and transfer, there really has to be something before the court.

Obviously at some point—and, quite frankly, that is at the option of the parents—there will be an application made. At that time, as I said before, the family court judge directs the ministry to make a thorough examination. The examination includes a line by line study of the contract and we report back to the family court judge who makes the determination. The ministry does not make the determination as to whether the Child Welfare Act has been violated. We merely put the evidence and the facts before the family court judge who makes the determination and at that point it will be made.

Mr. R. F. Johnston: Mr. Speaker, I would like the minister to please distinguish for us the difference between the illegality of paying for a child in Ontario, at the moment, and the rendering of a service, when the rendering of that service is that the surrogate mother is going to bear a child eventually. Is that not a spurious kind of distinction to make? Is it not something we would oppose in Ontario?

If it is something we would oppose, is the minister not going to take some action—more than waiting for the family court system which usually is a determination on an economic and psychological basis—as to whether or not parents can accommodate the responsibility of adoption? Surely, he is making a false distinction here.

10:20 a.m.

Hon. Mr. Drea: First, Mr. Speaker, I am not making a false distinction. I have pointed out what the lawyer in the United States claims. I would appreciate if the member for Scarborough West would listen to what I say.

I would agree with the honourable member that there is not much of a difference between a fee for service, or, if one wants to get into the vernacular, rent-a-body, and the actual purchase of a child. What I am pointing out to the member is the basis upon which the alleged contract was entered into.

Obviously, before the ministry can do anything there has to be a birth. There are some complications about the birth because they are bringing an American national into Canada. It may very well be that because of citizenship matters and some others, the federal Minister of Employment and Immigration may want to become involved, but that is their jurisdiction. If the birth occurs in Ontario, then obviously the government will monitor the situation.

It is only when the surrogate mother formally gives up that child that we can become involved. The particular involvement is one of the sections mentioned by the deputy leader of the Liberal Party. If one looks at the act there are some others that we may use.

The particular lawyer from Michigan, who is involved in this, is already advertising publicly for Ontario women to enter into this particular type of practice, and I have already given him a message. We are not going to become involved in this particular aberration. There are obvious places in our society for surrogate mothers, but by the same token we are not going to get into a cottage industry in Ontario where people are being recruited to do this primarily for the profit of a solicitor in the state of Michigan.

As a government, and as a Legislature, we also have another responsibility because there are a great many disclaimers in this contract. It is all on the presumption that the child will be born entirely normal, entirely healthy, in an entirely conventional manner.

Furthermore, there is even a very lengthy description that while there have been suppos-

edly extensive genetic tests made, there is somewhere between a 3.5 and 5 per cent error factor and on that basis, the adopting parents or the Canadian parents will have no comeback on the amounts of money they have put into escrow.

I see the member for Scarborough West shaking his head, I would presume in a bit of disgust or a bit of horror. I share it; when one gets into appendices on a contract that say no matter what the scientific testing is if anything goes wrong one's money is up front and it is not coming back. Those are the situations we are into. To sum it up, it is rather obvious that we cannot do anything until the birth takes place, and we will know when the birth takes place.

Mr. Conway: Surely, the minister will want to agree that the horror, the disgust, the incredulity of this situation is that we have in the House today a statement, by a minister of a government involved in these social policy areas, saying that we really do not have any position on this new kind of development.

We have a minister saying, "Well, this Ontario man whose sperm has impregnated the surrogate mother will be interpreted perhaps as a stepfather." Surely, that kind of situation and all of this issue speaks to the absolute, immediate need for the minister, on behalf of the government, to make a clear statement of policy on whether or not these kinds of situations are going to be tolerated; and if so, how.

Would the minister specifically address himself to the kinds of advertisements that are now appearing in the Toronto newspapers? I mention, as an example, the classified ad in the Toronto Star of June 2, 1982, which said, "Couples unable to have children, willing to pay a \$10,000 fee and expenses to woman to carry their child." Is that misleading advertising? Whose child is it? Is it their child, the child of the couple willing to pay?

What kind of position are the minister and the government prepared to take in view of this kind of advertising, and in view of the fact that the lawyer in question is stating publicly that he has several clients waiting and willing to pay the kinds of moneys that, by virtue of a reading of the Child Welfare Act, are clearly inappropriate and illegal?

Hon. Mr. Drea: Mr. Speaker, if the member had listened to me; I thought I had already answered his questions.

He started off by saying, "Will you please give me a general policy framework?" I did that. I pointed out that, in terms of a private adoption,

there was a slightly different procedure when there was a claim of being a step-parent. I was trying to help him.

I am not buying any of this stuff in the contract. I am not buying any of the descriptions. Basically, all I am aware of is what a lawyer in the state of Michigan says is going to take place. I do not know how much clearer I can be. At the moment of birth or the moment when there is a transaction or a transfer, then we move. How much clearer than that does the member want it?

In terms of the question of women in this province being recruited to be surrogate mothers for disposition of a child that perhaps will be born somewhere else, or adopted somewhere else, if the recruitment is taking place in Ontario, then I can assure the member that the ministry will do something about it. If the woman chooses to cross the border and go to the state of Michigan, or Ohio, or Indiana, and enter into arrangements there, then obviously I have no jurisdiction.

I think in this matter I have covered just about everything. It is all very well for the member to stand up and get on his high horse at the end about the moral overtones and everything else; but by the same token I think he has to remember that, taking out the rather weird, peculiar and perverted financial arrangements in this matter, there are approaches that can be made for surrogate motherhood in this country.

Mr. Conway: The minister might very well have indicated right at the outset that this kind of transaction was improper and was not going to be allowed under any conditions in this province. He might have done that.

YOUTH EMPLOYMENT

Mr. Conway: Mr. Speaker, I have a question for the Provincial Secretary for Social Development, whose agitation in this matter will undoubtedly excite her to great fits of enthusiasm in answering it. It concerns the state of youth employment in Ontario.

The Provincial Secretary, whose concern in these matters we all know to be bottomless, will know that youth unemployment in this province is up 45,000 in May 1982 over 1981, and the rate of youth unemployment in Ontario is now just over 16.4 per cent.

10:30 a.m.

In view of the fact that the Ontario youth employment program, the Ontario career action program and the Experience '82 program have

increased this government's youth assistance job creation program by less than 9,000, and the net additional youth unemployment this May is up 45,000 over last May, what advice does the Provincial Secretary for Social Development, who is in charge of the Ontario youth secretariat, have for those tens of thousands of young Ontarians between the ages of 15 and 24 who are facing the prospect of unemployment over the course of the summer of 1982, other than that tendered by her colleague the Minister of Natural Resources (Mr. Pope) through his famous memo of some weeks ago which said if one wants summer employment, particularly in the Ontario public service, one should talk to the local Tory MPP?

Hon. Mrs. Birch: Mr. Speaker, this government has a very good record of providing employment opportunities for the young people of this province. Our ongoing Experience program has provided opportunities for many young people to have first-time job experiences, to help lead them into full-time, paying jobs when they are ready to leave school.

We have identified that the high unemployment rate during the winter months is becoming the focus; so we are designing and developing a program which we think will provide opportunities for a number of young people during the winter months from November perhaps through to March.

However, I think the honourable member should be practical and realistic enough to appreciate that no government can provide jobs for everybody in this province. That is utterly impossible. Through our programs for youth unemployment—the Ontario career action program, Experience '82, the Ontario youth employment program and this new program, which will be designed for winter unemployment opportunities—we are doing everything that a government possibly can.

We not only do that but we also have set up employment counselling centres. We have 20 now in operation across this province to counsel young people and to identify opportunities for them in the work place. We are encouraging the private sector to become more involved by giving young people an opportunity. I do not know what more is expected of a government. We are doing a very good job, and young people out there appreciate it.

Mr. Conway: We certainly expect that the young people of this province may do as well as some of the friends of the government who have

had their employment considerations well provided for—

Hon. Mrs. Birch: Mr. Speaker, on a point of privilege: I would just like to bring to the attention of the member that I receive letters from and have been approached personally by numerous people from over there, asking me specifically to look into finding employment opportunities for their constituents. We do not differentiate. When anyone asks to have someone appointed, or to be given an opportunity to work in our programs, his application is considered along with everyone else's. I think that remark by the member is terribly unfair.

Mr. Conway: I want to tell the provincial secretary that I have the pleasure of living in the shadow of Algonquin Park, and between May to September there are more young Tories than deer in that great provincial facility. The provincial secretary does not need to lecture me about the way in which her political referral system works. With all due respect to her, I do not need any lectures in that regard.

I want to know specifically what the provincial secretary has to say to the young people at McMaster University who are currently sitting in Hamilton, wondering what kind of offering they are going to have from the government that told them about the great promise of 1981. I want to know specifically what she intends to say and do about a report, sponsored in part by her own youth secretariat and done by Ms. Harriet Wolman, which criticized in a very direct way the wanton malco-ordination of the Ontario youth employment programs being meted out now by something like 17 ministries or provincial agencies.

What does she have to say, as the minister in charge, about the criticisms levied by the Wolman report? What is she going to do to see to it not only that there is greater co-ordination but also that there is going to be a greater number of net jobs for the young people who are being so penalized in other respects by her colleague the Minister of Universities and Colleges (Miss Stephenson) in their efforts to get summer employment to pay the much higher post-secondary charges that are now being levied?

Hon. Mrs. Birch: Mr. Speaker, the member makes reference to a report that was done for Metropolitan Toronto. It is my understanding that even Metro Toronto has not accepted the criticisms and recommendations in that report.

I repeat that I think we are doing everything humanly possible. I also say to the member that

perhaps he has not lived long enough to have experienced some of the traumas people in older age brackets are going through at this moment. I am also concerned about the heads of families who have mortgages to pay and families to raise and who are having great difficulty in finding employment. We have to be very cautious that we do not forget there are other people in society who are having employment problems at the moment. We are doing everything we possibly can.

I also remind the member that within the next month or so we will see a large influx of offshore workers to this great province, because we find that the youth, and other age groups in our society, are not prepared to do the very necessary work on a great number of the farms within this great province. We continue to have to bring in a great many offshore labourers to provide farmers with the help they require. The member might remind some of those who are looking for employment that it is not beneath any of us to get out and work on a farm. It might be a great experience for the member opposite.

Mr. Sweeney: Mr. Speaker, I draw to the minister's attention that many thousands of young people are seeking summer employment this year. She should be well aware of the fact that in many of the major centres of Ontario I have visited in the past couple of months, such as Hamilton, Windsor, Sudbury and Thunder Bay, those large employers who traditionally had a lot of jobs available for youth do not have any at all this summer; so many more youths were looking forward to some assistance from their government. I ask the minister to comment on this trend at the very time when the youth of Ontario need more job opportunities.

In 1979, this government provided \$19.5 million and created 13,600 jobs through its Experience programs; in 1980, that was reduced to \$13.3 million and 10,400 jobs; in 1981, it was reduced further to \$13.2 million and 10,300 jobs; in 1982, it is reduced again to \$12 million and 8,800 jobs.

I have to ask this minister whether this government is truly trying to help the young people of this province. In this case, the budget talked about temporary work, not about permanent work at all. I am talking about temporary work too. How can the minister possibly justify a continuing decrease from 1979 to 1980 to 1981 to 1982? It does not make sense.

Hon. Mrs. Birch: Mr. Speaker—

Mr. Bradley: Is that your strategy over there?

The Acting Speaker: Order. I am having difficulty hearing the member.

Hon. Mrs. Birch: The honourable member does not mention the approximately 10,000 young people who are employed in ongoing regular replacement programs within government agencies across this province. He is talking about those jobs specifically designed through Experience, the Ontario youth employment program, the Ontario career action program and the other programs.

Mr. Sweeney: They are your programs.

Hon. Mr. Birch: Yes, they are, and I am very proud of them. I am extremely proud of them. I think they have served a really useful purpose for the young people of this province. But if the member is suggesting that this government should throw millions of dollars into make-work projects when there are people who are finding it extremely difficult to support families at this time and there is no help for them, then I suggest to him that perhaps there are other ways many of those young people can find employment without the government intervening and setting up make-work projects.

One thing I am proud of is the fact that our programs have never been, nor will they ever be, make-work projects. They all perform a very useful service, a much-needed service. I am not going to stand up here and make any kind of commitment, or even suggest to the member, that we are going to come up with a lot of make-work projects. We are not going to do that.

UNEMPLOYMENT

Mr. Foulds: Mr. Speaker, since the Provincial Secretary for Social Development has enunciated the government policy in favour of unemployment, I wish to address a question to the Treasurer.

Does the Treasurer not think that at this time, when unemployment is at its most severe in Ontario in many decades, it should be the objective of his government at least to aim for full employment? How does he feel, as the Treasurer, to have his budget overtaken by events? His budget aims—not achieves, but aims—for 31,000 temporary jobs, but from the unemployment statistics we received this morning we learn that 19,000, or two thirds of the number he had hoped to achieve, were wiped out in the month of May.

10:40 a.m.

Hon. F. S. Miller: Mr. Speaker, it just shows how the honourable member is able to misinterpret statistics totally. As a matter of fact, according to the statistics that arrived this morning, 109,000 people returned to work during the month of May. On a seasonally adjusted basis, that was reduced to 11,000. The fact is that the figure of 19,000 the member is quoting is the difference between the increase in the labour force and the increase in the number of jobs. Ontario was about the only province in Canada last month to show a net increase in people at work.

Mr. Foulds: The Treasurer's interpretation of the statistics may be very self-satisfying, but he should tell that to the 19,000 people who lost their jobs in this province in May.

Will the Treasurer not bring in emergency job creation programs before this session ends so he can tackle the serious unemployment problem in this province that faces more than 500,000 people? Is he not going to bring in emergency job creation programs in energy conservation which could create 15,000 to 20,000 job or in co-op housing which could create something like 33,000 jobs?

Hon. F. S. Miller: I do not use the words "misled the House," and therefore I am not going to say that, but I want to review the statement the member just made and simply point out that the labour force grows quickly in the spring as people graduate from colleges and universities. On an adjusted basis—

Mr. Foulds: They are still unemployed.

Hon. F. S. Miller: Just a second. On an adjusted basis, we had an increase of 30,000 people available for work last month. That is a big increase. On a real basis, 113,000 more people were in the work force last month. That is a very large month-over-month increase. But on a real basis, 109,000 people found jobs last month. That is a fact. That is the statistic I got this morning from Statscan.

Mr. Foulds: So?

Hon. F. S. Miller: Just a second.

Mr. Foulds: So what about all those people who lost their jobs who you are ignoring?

Hon. F. S. Miller: Let us take the worst possible scene. The seasonally adjusted figure—I have never quite understood the arithmetic of that—shows we had 11,000 more people find work last month in this province.

The member likes to quote one statistic out of my budget, saying there will be 31,000 tempo-

rary jobs by public works, but he forgets the other jobs that were in the budget. He forgets the roughly 32,000 person-years of work in the renter-buy program. He forgets the 9,000 to 12,000 more jobs in the youth program. The 31,000 admittedly were short-term jobs to get people across what is a bad problem.

We did useful work, as my colleague the Provincial Secretary for Social Development said. We did not choose useless work. We did not put people out at meaningless work. Instead, we are going to be asking municipalities, boards of education, hospitals, colleges—the whole gamut of things—to be involved in doing useful programs, some of which were delayed in previous years. We put some \$60 million, I recall, into highways works of various kinds. All those are keeping people at work while the economy starts what we believe is a recovery.

Mr. Sweeney: Mr. Speaker, in drafting his budget, the Treasurer surely would have taken into consideration changing conditions over the previous year. Surely the Treasurer would have known that in April 1981 there were 106,000 young people in Ontario between the ages of 15 and 24 out of work. In April 1982, immediately prior to him introducing the budget in this Legislature, the figure for that same age group had increased by 60 per cent to 171,000. As of this morning, that figure has gone up another 15,000 to 186,000. Yet for total youth employment in this province the Treasurer included in his budget an increase of only nine per cent.

How does he justify bringing in a budget in this Legislature that speaks to the terrible, crying, scandalous need of youth unemployment in this province, where there is a year-over-year increase of 60 per cent, or 65,000, by bringing in a nine per cent increase in the budget?

Hon. F. S. Miller: Mr. Speaker, I delayed my budget for some time because I was keenly aware of the state of the economy. I have to say to the honourable member that our friends in Ottawa are going to be bringing out an economic statement this week which I think will be a reshaping of their budget. I hope sincerely it will correct some of the errors of the November budget.

Mr. Kerrio: M and M—MacEachen and Miller.

Hon. F. S. Miller: Things are bad enough in this country that I will be delighted to work with the federal government to solve some of the problems rather than continue to pound them.

The fact is that the member assumes, and his is alleged to be the right-wing party these days, that governments should create everything. I have to say that a lot of those jobs are being created in the private sector.

Mr. Breithaupt: Why don't you take credit for it?

Interjections.

Hon. F. S. Miller: Just sit still for a second. Sit still and be quiet.

Mr. Sweeney: They aren't doing it.

The Acting Speaker: Order.

Hon. F. S. Miller: I did not interrupt the member. He should just relax. I just point out to him that the removal of the corporate tax for small businessmen will put \$250 million into the economy this year. I estimated that would create only 10,000 jobs. Mr. Bulloch's group, I am told, estimated it would create closer to 50,000 jobs. Does the member assume they are all going to older people? Does he not assume the private sector has some resiliency or ability to create jobs apart from the government sector?

Sure, we established more help for the Ontario career action program and for student programs. Sure, it may not be the percentage that the member is showing. But the long-term jobs that produce wealth in this economy are not in government; they are in the private sector, and that is where we have to help.

Mr. Cooke: Mr. Speaker, I might draw to the Treasurer's attention that Mr. Bulloch also pointed out that something like 25 to 30 per cent of small businesses in this province would close down if there were no interest rate relief, which the Treasurer did not provide for small businesses.

Going on Mr. Bulloch's figures, let us hear the Treasurer quote them all. I point out to the Treasurer that he can fudge the figures all he wants, but the fact of the matter is that 8.3 per cent of the people in Ontario were unemployed in April.

I ask the minister whether he is aware that the municipal governments we have visited with our task force have pointed out clearly that they will not be able to participate in his job creation program because they have not budgeted for the building supplies he is asking them to purchase and then is taxing them on. Is he willing to change his job creation program to include not only labour but also the supplies so that jobs will be created by the municipalities and the school boards?

Hon. F. S. Miller: Mr. Speaker, I think it was \$34.5 million my colleague had for the municipalities in the budget, plus another \$500,000 for unorganized townships or areas, to bring it up to \$35 million. There was a requirement that there be a certain amount of money provided by municipalities.

I will tell the member something I learned at the municipal level. I do not know whether he was a municipal councillor in the days before he came here, but when any municipality in this province sees about 80 to 90 per cent of the money coming from the province for a project that it believes is necessary, whether it budgeted that in its original figures or not, it is quick to react and take advantage of the generosity of the province.

The Acting Speaker: Following this question, the Minister of Health (Mr. Grossman) and the Solicitor General (Mr. G. W. Taylor) have answers to questions asked previously.

FUNDING FOR EDUCATION

Mr. Foulds: Mr. Speaker, I have a question for the Minister of Education. Can she explain why this document, entitled *The Ministry of Education Proposal to Introduce a New Formula for the Funding of Elementary and Secondary Education in Ontario*, basically and radically attacks the basis of education funding in Ontario by proposing that commercial and industrial property tax assessment be pooled or removed from the jurisdiction of local school boards?

Does the minister realize that Metro Toronto estimates the impact of this proposal would raise the residential taxpayers' cost for the Metro Toronto board area by approximately 16 mills, or more than 30 per cent, and would remove \$303 million from the Metro Toronto ability to tax?

Hon. Miss Stephenson: Mr. Speaker, the honourable member has probably seen an outline of a presentation that is being made by officials within my ministry. It is simply a proposal to look at a new model for funding education at the elementary-secondary level.

Within that model, there is no proposal to remove the ability of a local board to tax the industrial, commercial and institutional sector. It simply provides for a means of more equitable distribution of provincial grants based upon the philosophy that the tax support for the school system should be established on the foundation of relatively equal taxation of equal properties within the province, no matter where those

properties are and no matter which part of the school system is being supported.

Mr. Foulds: Does the minister not agree she might have a better chance of making that statement believable if she had offered increased grants to the school boards?

If this is only a proposal, can the minister explain why, between the finalizing of the proposal on approximately May 21 and its presentation three days ago to a meeting of board of education chairmen and directors, slide 4 was dropped from the presentation?

Slide 4 in the original proposal specifically says the objectives of the proposed plan for funding elementary and secondary education in Ontario are to achieve greater equity in the tax burden for educational purposes on residential properties amongst municipalities in Ontario and to introduce a form of expenditure constraint on school board spending in excess of approved costs.

If that is the case, why is the minister trying to introduce a system that reduces the flexibility of local school boards and removes from them the scope of their taxation powers on commercial and industrial property? Since the minister takes that pool and redistributes it, why does she fail to improve their grants?

10:50 a.m.

Hon. Miss Stephenson: I am not sure how long that question took, but I would hope the members of the opposition parties would note that in many instances their questions, which are extremely and excruciatingly long, require long answers.

The Acting Speaker: Minister, please answer the question.

Hon. Miss Stephenson: I will make my answer very short. The member obviously does not understand the purpose of the proposal. In fact, it is a model; there may be better models. What we are attempting to do is to provide for discussion about the appropriate method of funding educational programs within this province.

We in the ministry are not taking back all the institutional, commercial and industrial taxation to redistribute. If this model is followed, the Ministry of Education will not lay a hand on that.

Mr. Foulds: Since all secondary school boards and 74 of 121 elementary school boards in the province are above the ministry's expenditure ceilings, would it not have made more sense

simply to raise the grant ceilings to a realistic level?

Why is the ministry trying to get its hands on the limited sources that local boards have when at present, for example, the ministry's portion of expenditure for school boards has been reduced from an average of 60 per cent to 50 per cent and in Metro Toronto it has been reduced from something like 35 per cent a few years ago to 15 per cent?

Hon. Miss Stephenson: I am not sure the member wants an answer. He simply wants to voice his opinions. His figures are not entirely accurate, and the thesis upon which he has based them is not entirely accurate. I do believe that the opportunity to discuss the methods of funding elementary and secondary education is one that should be seized by the Ministry of Education and by all concerned about that funding so that we can look at new methods and try to find better and more equitable methods.

I believe it is an appropriate principle to examine that the cost of education should be equitably borne by all residential taxpayers in Ontario, no matter what is happening in terms of the other tax base. A taxpayer who happens to live in Toronto should not have a huge advantage over a taxpayer who happens to live in Wawa or Geraldton. The equalized mill rate has attempted to solve that problem. We know it does not solve it completely, and this is simply a further attempt to improve equitability.

NURSING HOME CARE

Hon. Mr. Grossman: Mr. Speaker, as a result of a question raised on Tuesday last by the member for Windsor-Riverside (Mr. Cooke) and concerns brought to my attention and the ministry's attention over the past several months by the member for Elgin (Mr. McNeil), the ministry has been looking into events at the Willson Nursing Home in St. Thomas for some time.

Some six months ago, the nursing home inspection service of my ministry became concerned with the quality of care at the nursing home and met with the licensee at that time. As a result of those discussions, the quality of care has improved to the point that the ministry now is satisfied with the level of care in the facility.

The facility was visited as recently as May 13 and 14, and on those days inspectors were satisfied with both the level of care and the staffing patterns. Staffing patterns currently are above the necessary limits, at approximately 1.7.

As a result of these questions and others, my ministry staff will visit the nursing home again shortly to ensure that the quality of care we require is maintained in that nursing home.

The member for Windsor-Riverside also raised the question of the administrator hiring a night watchman in the facility. The administrator has hired a night watchman because of recent incidents in the home, including vandalism, resulting in damage to equipment essential to resident care.

The honourable member also raised the issue of the use of condoms on men with bladder problems. I point out that this is done only on medical orders, with the permission, advice and direction of doctors of the residents involved. In this case, nine residents were being treated in that way, only eight of them, however, at the request of the patient's doctor.

We have directed the nursing home staff to ascertain from the doctor of that single patient whether this method of dealing with the problem is acceptable. I wish to point out that in eight of the nine cases it was an acceptable method, approved by, and under the direction of, the patient's doctor.

Mr. Cooke: First, Mr. Speaker, I would like to ask the minister whether he will table the inspection reports in the Legislature so that we can take a look at them.

I would like to further ask the minister whether he is aware that while the inspections to which he refers were done on May 13, the layoffs took place on May 25. Further, the security guard is a day security guard, and it seems to me the money being spent on the security guard would be much better put into staff who serve the residents of the home.

Finally, I would like to ask the minister whether he is aware that the use of condoms on the men was ordered by Dr. Sole, the Hamilton owner of the nursing home, and that they were ordered after the layoffs took place, obviously as a method of coping with inadequate staff.

Hon. Mr. Grossman: With respect, if the member wishes to make an accusation against Dr. Sole and suggests he has engaged in medical malpractice, he should take that to the College—

Mr. Cooke: He is the owner of the nursing home and I stated that. Don't be silly.

11 a.m.

Hon. Mr. Grossman: The innuendo is quite clear. The member raised it in the sense of his being both the owner of the nursing home and the attending physician for eight of the nine

patients. If the member thinks that presents an ethical problem, he should report it to the College of Physicians and Surgeons. He should have the courage to say and do what he believes in. Either he believes that it is proper or that it is not. If he is courageous, as he likes to present himself in southwestern Ontario, he should go right ahead and do it.

Mr. Cooke: Why don't you have your inspection branch do a halfway decent job?

Mr. Martel: Why are you trying to put the onus on him? You are the Minister of Health.

Hon. Mr. Grossman: I am not making any accusation against that particular doctor.

Mr. R. F. Johnston: He asked you the question.

Hon. Mr. Grossman: If he is not sure, then he should not stand up in this assembly and make that innuendo.

The Deputy Speaker: Would the minister be so kind as to answer the question.

Hon. Mr. Grossman: The member may feel free to go to the college if he has any complaint about the doctor.

The member also suggests that the money would be better spent on staff rather than on security. The running of each particular nursing home in this province is in the hands of the nursing home operator. I know the member is sensitive about this because there is a labour dispute underlying the situation, so we know where he is coming from on the issue.

Even though there has been a change in the people working in that facility, at its peak the staffing pattern was at 1.89 hours. It dropped to what we considered to be an insufficient level of 1.65 hours at its lowest and it is back up to 1.7 hours.

Mr. Cooke: That was before the layoffs.

Hon. Mr. Grossman: That is the situation today, as we understand it, and it is an acceptable level.

Mr. McClellan: You know that is wrong.

Hon. Mr. Grossman: If the operator is running that facility in such a way that the nursing care is not adequate, then obviously steps will be taken when my staff visit the facility once again.

Mr. Cooke: When?

Mr. McClellan: When?

Mr. Cassidy: How soon?

Mr. Martel: After you warn them.

Hon. Mr. Grossman: The answer to that question happens to be today. I know the member will be disappointed to hear that, but it is today.

The Deputy Speaker: Are you going to table the document?

Hon. Mr. Grossman: I just wanted to lure him into asking "When?" As always, he could not resist the bait.

The Deputy Speaker: Mr. Minister, let us finish this off. Are you going to table the documents?

Hon. Mr. Grossman: I will have to see if I can. If I can, I will.

OPP SERVICES

Hon. G. W. Taylor: In answer to a previously asked—

Interjections.

The Deputy Speaker: What are we doing?

Hon. G. W. Taylor: I was just waiting for the conversation to stop.

The Deputy Speaker: I am listening.

Hon. G. W. Taylor: Fine, Mr. Speaker, as long as you are listening. You are the most important person.

Hon. Mr. Grossman: On a point of personal privilege—

Hon. G. W. Taylor: Does the Minister of Health have a point of personal privilege?

The Deputy Speaker: Order.

Hon. G. W. Taylor: On May 31, the member for Algoma (Mr. Wildman) asked me about a service provided by the Ontario Provincial Police in the community of Dubreuilville. At that time, I promised to obtain some additional information regarding the bilingual capabilities of civilian communications personnel at that detachment.

First, let me state that four additional OPP officers are being stationed at Wawa where the present detachment is located. The one officer who has been located at the storefront office at Dubreuilville will be stationed in the Wawa area.

No one serving at Dubreuilville as a communications officer is bilingual. Indeed, there is no communications officer, as such, at Dubreuilville; the communications for the Dubreuilville area are served out of Wawa. Unfortunately, there is no bilingual communications officer at Wawa.

Usually the communications people are civilians and it is difficult to transfer them. We have

had some difficulty in obtaining bilingual communications officers from the civilian communications personnel in the area. However, when the new communications facility is established and operational at Sault Ste. Marie, the force plans to have a bilingual uniformed member on duty 24 hours a day. When a call from a francophone resident of Dubreuilville is received at the centre, one of the French-speaking officers will therefore be able to assist that caller.

The Deputy Speaker: I just want to point out—

Hon. G. W. Taylor: I don't know whether that is a supplementary, but anyway I trust this information will—

The Deputy Speaker: Order. From time to time when I have had the opportunity of doing question period, ministers tend to make their answers awfully long when responding to questions previously asked and I hope the Solicitor General will summarize that long answer within the next minute.

Hon. Mr. Gregory: Mr. Speaker, on a point of privilege: Are you going to give a similar admonition to some of the questioners over there for the length of the questions?

The Deputy Speaker: Yes, when I have the opportunity, absolutely.

Mr. MacDonald: For the first time we have some balance.

Ms. Copps: I can see their horns are locked.

Hon. G. W. Taylor: Mr. Speaker, on the comment you have made, I do not believe it is a very long question.

The Deputy Speaker: No, it is a long answer.

Hon. G. W. Taylor: The question was very long and very detailed. The answer is barely one page. I find, Mr. Speaker, that your comments are unnecessary at this point in time. I am willing to complete the last sentence, Mr. Speaker.

Ms. Copps: The Speaker's ruling is not debatable.

Mr. Ruston: If you can't read it, give it to someone else.

The Deputy Speaker: Order, order, order. The point of the matter is I think it could have been made as a ministerial statement. I will allow you the opportunity to try to conclude it.

Hon. G. W. Taylor: Mr. Speaker, on that question, I have been in the House for the same

length of time as you have and the point of order is that—

Ms. Copps: Point of order.

The Deputy Speaker: A point of order from the member for Hamilton Centre (Ms. Copps).

Hon. G. W. Taylor: Who has the floor, Mr. Speaker?

The Deputy Speaker: The member for Hamilton Centre with a point of order.

Ms. Copps: My point of order, Mr. Speaker, is that this is not a question. It is a ruling from the Speaker which is not debatable by the minister or any other member of this House.

Mr. MacDonald: Mr. Speaker, on a point of order: On many occasions when the Speaker has made a ruling in terms of getting a balance here and it was a balance that was in favour of the government, we have had to sit down. Now we have an argument going on that was started by the whip and is being continued by members of the cabinet. They have used the Speaker as if he were a puppet—

The Deputy Speaker: Order, order, order. Let's finish this off. Would the Solicitor General just finish off his answer.

Hon. G. W. Taylor: You don't want me to continue this debate?

The Deputy Speaker: No, I don't. Just finish off.

Hon. G. W. Taylor: I found it very interesting. I trust this information will assure the member that the level of services of residents of Dubreuilville will be maintained. Thank you very much for letting me finish that one-page statement, Mr. Speaker.

Mr. Boudria: Why didn't you call it a statement?

Hon. Mr. Bennett: It was the answer to a question.

Ms. Copps: He just said it was a statement.

Mr. Martel: How can the minister assure us that at all times on duty and in a place where they can be contacted will be a francophone—

Hon. G. W. Taylor: An answer contains statements. They contain paragraphs.

Ms. Copps: You just said it was a statement.

Mr. Martel: I am waiting for George to finish his answer. He has decided to finish the rest of it from his chair.

Hon. G. W. Taylor: Mr. Speaker, on a point of privilege: I believe the Speaker yesterday admonished us for using personal names. We

have titles in here and we have labels for our ridings. The man who says the greatest things about rules in here, who is always touting the rules in here, called me by my first Christian name.

The Deputy Speaker: Would you call George by his name please?

Mr. Martel: I am sorry, George.

The Deputy Speaker: We have only got a couple of minutes left. Have you got a supplementary?

Mr. Martel: A supplementary to the Solicitor General: How can the minister assure us that in fact someone who is bilingual will be available at all times when a call might be coming in? Is there not the possibility that in fact the officer who is bilingual will be working in some other area at the time that the call comes, and therefore there will be no one capable of dealing with the issue at the time someone might phone in from Dubreuilville? What assurance do we have?

Mr. Foulds: Dubreuilville is going to have to phone Sault Ste. Marie, isn't it?

Hon. G. W. Taylor: Mr. Speaker, on this particular matter, I can give no assurance to the honourable member that there will be a bilingual individual serving the communications network at all hours of the day.

The force has a procedure to try to increase the number of individuals who have the facility in the languages of both French and English in the province and there is a component in the Ontario Provincial Police that is trying to increase this facility. However, I cannot give the member an assurance that on all occasions there will be bilingual service.

I can only say that on the new communications network that is also being put in, there will be more centralized use of communications networks so we will be able to have more of these individuals who are conversant in both French and English.

11:10 a.m.

The Deputy Speaker: The time for question period has expired.

USE OF TIME IN QUESTION PERIOD

Mr. Wrye: Mr. Speaker, on a point of order: Is it not possible, considering the long statements from both the Minister of Health and the Solicitor General, to add a little time to question period, in view of the fact they might have been called ministerial statements?

The Deputy Speaker: No. This time around I think my admonition will be enough. Next time around we will add some time for long ministerial statements.

Mr. Di Santo: Mr. Speaker, on a point of order: I would like to bring to your attention that today there has not been a single question by a back-bencher. If question period is to serve any purpose at all, it should not only be a place where the leaders can highlight their questions, but also the back-benchers who represent important constituencies can have the same rights as others.

Hon. Miss Stephenson: Talk to your leaders.

Hon. Mr. Gregory: Talk to your leaders.

Mr. Martel: Don't be so silly.

The Deputy Speaker: The member for Downsview still has the floor.

Mr. Di Santo: The government benches are particularly intolerant. They do not understand. They have the majority in the House but they should at least allow the opposition to put questions. I would like to bring to your attention that at some point there should be a ruling because the answers given by the ministers are so incredibly long that, in my opinion, they use enough time to prevent us from asking a question.

The Deputy Speaker: Order. I will do that. I will point out to the ministers that their answers are too long, just as I will point out to the member for Sudbury East (Mr. Martel) and the member for Port Arthur (Mr. Foulds) that their questions are too long, so at that appropriate point all private members would have the opportunity of asking questions.

Mr. Martel: Mr. Speaker, could I ask that you arrange, starting next Monday, that the length of time for questions and responses be calculated and kept track of by the table officers. We will bloody well find out who is taking all the time of the House. In the figures we have compiled for April and May, I want to say it is not this side of the House; it is over there.

The Deputy Speaker: It is my understanding that has been done in the past, but I would suggest the House leaders negotiate the aspects of keeping time. Keeping time is only to see how much time would be available for private members.

Mr. Martel: Mr. Speaker, I have asked if you are prepared to instruct the table officers next week to start to time the answers and the questions. If we are ever going to get around this

impasse, it is by knowing specifically what is going on. If the government does not object and it thinks it is we who are taking the time, then it should agree with me.

The Deputy Speaker: What I will do is to bring this to the attention of the Speaker and ask him to report on Monday on time-tracking.

PETITION

ANNUAL REPORT, EDUCATION RELATIONS COMMISSION

Mr. McClellan: Pursuant to standing order 33(b), we the undersigned hereby petition to refer the annual report of the Educational Relations Commission for the year 1980-81 to the standing committee on social development. It is signed by 21 members of the New Democratic Party caucus.

MOTION

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Hon. Mr. Gregory moved that standing order 72(a), respecting notice of committee hearings, be suspended for the consideration of Bill Pr14, An Act respecting the University of Western Ontario, by the standing committee on social development on Monday, June 7, 1982.

Motion agreed to.

INTRODUCTION OF BILLS

WORKMEN'S COMPENSATION AMENDMENT ACT

Mr. Laughren moved, seconded by Mr. McClellan, first reading of Bill 136, An Act to amend the Workmen's Compensation Act.

Motion agreed to.

Mr. Laughren: This bill replaces references to "workmen" in the Workmen's Compensation Act, renamed the Workers' Compensation Act, with references to "workers." Given that about 40 per cent of the work force in Ontario are now women, the name of the present act and board is an anachronism.

DEGREE GRANTING ACT

Hon. Miss Stephenson moved, seconded by Hon. Mr. Bernier, first reading of Bill 137, An Act to regulate the Granting of Degrees.

Motion agreed to.

Hon. Miss Stephenson: It has been the tradition in this province, and in most parliamentary systems, that a charter to grant degrees could

only be attained from the Legislature or the Parliament. In Ontario, this tradition has served the purpose of ensuring that universities and other degree-granting institutions were constituted in such a fashion as to ensure sound academic and financial governance, and to provide legal validation to the degrees awarded by the institutions. The boundaries of the authority to grant degrees were defined by inclusion of this power in a statutory charter.

It has now become apparent that there is no legal authority to exclude other individuals and institutions from granting degrees in Ontario. In fact, a problem of increasing concern is the chartering of degree-granting institutions by the federal government. I am aware of at least four so-called degree-granting institutions operating in Ontario under the authority of federal government letters patent.

11:20 a.m.

Proposed federal legislation, Bill C-10, currently before the House of Commons, will make it even easier for these institutions to be incorporated by the federal government. It is feared, particularly by the Association of Universities and Colleges of Canada, that this will lead to a proliferation of institutions with doubtful academic credentials.

This proposed federal legislation therefore necessitates an urgent provincial response. I note that the government of Prince Edward Island has recently rushed through its Legislature a piece of legislation to prevent a federally incorporated institution from operating in that province.

Prospective students should have the assurance that any degree program offered in Ontario has legal and academic credibility. Employers should be protected from job applicants with questionable credentials. Ontario's educational reputation in other jurisdictions should also be protected.

This bill will not encroach upon the fundamental freedom of people to operate educational institutions. It would, however, ensure that the Legislature would have to be convinced of the educational soundness of the institution before it could grant degrees. All 16 provincial degree-granting institutions and their federated or affiliated colleges and degree-granting institutions which have statutory authority in another province to grant degrees would be exempted from the provisions of this act.

As Minister of Education and Colleges and Universities, I am dedicated to the provision of a full range of educational opportunities and to

ensuring that they are of the highest standard. Through the Education Act and the Private Vocational Schools Act, the Legislature has provided for educational quality in other areas. This bill would give statutory authority to a traditional authority exercised by the Legislature concerning the granting of degrees.

CO-OPERATORS INSURANCE ASSOCIATION ACT

Mr. Lane moved, seconded by Mr. Williams, first reading of Bill Pr26, An Act respecting Co-operators Insurance Association.

Motion agreed to.

ORDERS OF THE DAY

THIRD READINGS

The following bills were given third reading on motion:

Bill 9, An Act to amend the District Municipality of Muskoka Act;

Bill Pr3, An Act respecting the City of Toronto;

Bill Pr7, An Act respecting the City of Mississauga.

WORKERS' COMPENSATION

Hon. Mr. Gregory, seconded by Hon. Mrs. Birch, moved resolution 7:

That the following documents be referred to the standing committee on resources development for its consideration and report thereon to the House: (1) Reshaping Workers' Compensation for Ontario, by Paul C. Weiler, dated November 1980, the Weiler report; and (2) the government of Ontario white paper on the Workers' Compensation Act, tabled June 25, 1981, the white paper; that the committee have power to retain expert staff for this reference as it sees fit, subject to the approval of the Board of Internal Economy; and that the committee have authority to sit on this reference, if required, during the summer adjournment, subject to agreement on timetabling by the three parties' whips.

Motion agreed to.

Mr. Sweeney: Mr. Speaker, I just want to take this opportunity on behalf of my party, and also as a member of the standing committee on resources development, to lend hearty support to the motion which has just been presented to the House by the government whip. The Weiler report and the government's response to it have both been discussed at committee hearings and it is very clear that some extremely significant

changes are potentially available for injured workers in Ontario.

I do not believe my constituency office is very different from those of most other members in this Legislature, and we get a very large number of workmen's compensation cases. The difficulty of dealing with these cases is getting greater all the time. It is difficult to assist those of our constituents who have to go back to some form of light work or even part-time work because of permanent disabilities of one type or another.

It is particularly difficult when we are dealing with constituents who have back injuries and who are told by members of the medical staff of the Workmen's Compensation Board that it is due to some pre-existing condition. As well, it is becoming increasingly difficult for our constituents to live on the pensions they received from the board.

It is noteworthy that one of the recommendations in the Weiler report is that we get away from the so-called meat chart concept of dealing with human beings. Because of the obvious difficulties which every member of this Legislature faces when dealing with his or her constituents in compensation and pension matters and with respect to trying to find some alternative work for them when they can no longer do their former job, we certainly agree that this whole area needs to be studied much more significantly.

Therefore, we strongly support the motion that it be sent to the resources committee, that it be explored to its fullest possible extent and that the injured workers have an opportunity to come before the committee to tell us, firsthand, of their experiences and the degree to which these references and recommendations meet their needs.

Mr. Laughren: Mr. Speaker, I am a member of the resources development committee but even if I were not I would be moved to speak to this motion and to try to ensure that I were a member of whatever committee will debate this motion.

We all know the problems of workmen's compensation, which hereafter in Ontario will be known as workers' compensation. I assume, since I introduced my private member's bill this morning to change the names to read the Workers' Compensation Board and Workers' Compensation Act, that all government members will support that and make sure that bill gets speedy passage.

As a matter of fact, the Minister of Labour

(Mr. Ramsay) is nodding his head. I assume that means he will be on his feet in this chamber, possibly next week, with his own bill. I am not worried a whit about plagiarism. If the minister wants to stand on his feet and introduce his own bill next week, we would support it. I have already promised the chairman of the compensation board that I personally will not debate such a bill for more than five minutes. As a matter of fact, the bill I introduced this morning came out of a challenge that occurred at the hearings of the compensation board earlier this spring.

11:30 a.m.

I must say, however, speaking now to the motion, I was somewhat surprised when the government indicated its intention to send this matter to a committee during the summer, because it is in between reports from Professor Weiler. In view of the fact that the next report is going to deal with the really fundamental problem that underlies workers' compensation problems, not just in Ontario but elsewhere in Canada and other jurisdictions, I found it passing strange that the Weiler report that has been published, and the white paper, would be sent to a committee before the final Weiler report is laid before us. I really do find that strange.

I want to tell the honourable members, we can make all sorts of amendments to the existing act and they will not resolve the problem of its being an adversarial system. That is what the compensation board is now. Workers must fight to get compensation when they have been injured on the job. I believe in the work ethic much more than most of the Conservatives over there, otherwise they would not hand out all those plums to their friends when they retire. They obviously do not believe in the work ethic as we do.

I believe when people are as plugged into the work ethic as I am and my friends are, when they get injured on the job they should not be penalized one penny as a result of being injured because of doing their job. I think that is fundamental to a fair, just, equitable compensation system in the province. That is the goal towards which we must all strive if we are going to have a good compensation system.

I know the Minister of Labour would be the first to admit that there should be rate increases brought before this chamber which could be debated now and be passed before we adjourn this summer so that injured workers would not have to go yet another year without increases in compensation rates.

It is beyond me to understand why the Minister of Labour, who is supposed to be looking after the needs of labour, simply does not do that. It has nothing whatsoever to do with us debating a motion later on this year. There is no reason that the minister cannot bring in those rate increases this month and get them through. It is simply not proper to have injured workers carrying a burden of inflation that is not of their making. People do not deliberately injure themselves; therefore, they should not be asked to subsidize the employers in the province by eating inflation. That is what the government is asking the injured workers in this province to do.

If the minister believes, as I do, that injured workers should never be penalized because they believe in the work ethic, then surely to goodness he has an obligation to tie the benefits they receive to the cost of living or the rate of inflation. This government has never done that. When this motion comes before committee and we start debating the Weiler report and the government white paper, that issue is obviously going to be a part of those hearings.

In regard to the length of time that has been allocated to that committee, given the substantiveness of both the Weiler report and the white paper, I can assure the minister that four weeks is simply not going to be enough, if we are going to get out and talk to the injured workers and their representatives in the trade union movement. In order to prevent the Minister of Industry and Trade (Mr. Walker) having an apoplectic fit, even the employers of Ontario might want to say something to the committee about the level of benefits and the kind of compensation system we create in this province. Since they are the ones who pay compensation, they surely have a right to appear before the committee.

I ask the minister whether he really thinks we can debate all of that and give other people the opportunity to come before the committee in a period of four weeks, usually three days a week in hearings between sessions. I would be very surprised if that could be accomplished.

I would issue a warning to the member of the Liberal Party who spoke about not liking the meat chart, which says that workers will be compensated according to their physical disabilities and not according to their income disabilities. That is really the distinction we are talking about. I have great concern, because it is not unusual, particularly in the mining industry or the forestry industry, for a worker to have a

20-per-cent disability and yet lose 100 per cent of his earnings. That obviously needs to be rectified.

But at the same time, a constituent for whom I have an enormous amount of respect was very seriously injured in a mine accident. That person has a 100 per cent pension as a result of that disability; he is paralyzed from the waist down. That person now has a job earning as much as he did before.

If you go the way suggested by the member for the Liberal Party, that is, the wage-loss system, then we are going to run into difficulty in areas like that. It seems to me that someone who gets as seriously injured as that needs to be compensated for life, not just because of the loss of income. I think we have to be very careful.

I will not debate the motion further except to say once again to the Minister of Labour that he is not being fair to the injured workers of this province if he does not bring in compensation rate increases right now, this month, before we adjourn.

Hon. Mr. Walker: Mr. Speaker, on a point of privilege: I wonder if the House would bear with me while I introduce in the Speaker's gallery the Right Honourable Lord Cockfield, Secretary of State for Trade for Great Britain. Lord Cockfield is a Conservative member of the House of Lords, Secretary of State for Trade and a member of the cabinet with whom I have been having discussions all morning. I would like to introduce him along with the Consul General of the United Kingdom in Toronto, Mr. Reginald Holloway, who is accompanying him today.

Hon. Mr. Ramsay: Mr. Speaker, I would like to comment briefly on some of the points that were brought forward by the member for Nickel Belt (Mr. Laughren).

First of all, I will support the private member's bill with respect to the name change from workmen's compensation to workers' compensation. I indicated this earlier, and I have no quarrel with it whatsoever.

Second, the committee was originally to sit for three weeks. I certainly did not feel that this was sufficient time. This morning, the whip told me it would be for four weeks. When he brought to my attention that it would be four weeks I told him that I thought even this might not be sufficient time, so he indicated that with the consent of the committee we could possibly go a fifth week if necessary. So I understand exactly what the honourable member is saying in that respect, and I concur with it.

Third, the member asked the reasons the

committee was sitting at this time. I was a little surprised to hear him ask that. I felt I was responding to very articulate comments by him, by the member for Kitchener (Mr. Breithaupt) and also by the member for Nickel Belt at the time the Workmen's Compensation Board annual report was being debated in the resources committee. I thought the members then had made a strong point and had asked me for the opportunity to have this debated in a public forum. This was basically the primary reason for doing so in this manner. In fact, the original recommendation was for a select committee.

I have a personal reason as well. With the change of ministers, and coming in at the time I did, I came in completely unfamiliar with the work that had been done to date. I had not had the benefit of the representations by labour, management and injured workers groups as had the former minister. I could have started this process all over again but it would have delayed things. I also thought that the process should be done in a public forum. So I did it for those reasons: to respond to the members' requests and recommendations, to give me an opportunity to become as knowledgeable as possible about the recommendations and to hold it in a public forum.

11:40 a.m.

Mr. Di Santo: Mr. Speaker, I am not against the idea there should be a public forum to discuss the Weiler report and the white paper on the Workmen's Compensation Act, but I would like to make a few comments. If the minister checks the record, he will find that the problem of reshaping the Workmen's Compensation Board did not start yesterday. In 1972 or 1973, there was a commission for the purpose of studying the reform of the Workmen's Compensation Board. Subsequently, we have had discussions every year because it is no longer felt the present system is adequate.

It is an old system that reflects a world which belongs to the past. The workmen's compensation system we have today was set up in 1914 when the workers were considered a commodity, as they are considered by the government today. It was a means to avoid workers bringing employers to court. To avoid waste of time and money and, above all, huge compensations, the system that was represented by the party across the House, even at that time, set up the Workmen's Compensation Board.

This is the reason we have so many problems today. That is the reason one hears outcries now and then from several sectors of our society

asking for reform of that system. Reform of the system should be centred on the recognition of workers as human beings who are entitled to be compensated when an accident occurs to them. They should not be put into the position of having to fight against a system.

As the minister knows, today the system is so complex and cumbersome that many workers at some point are not only victimized because they have had an accident and lost an income, but they are victimized as human beings because they cannot function any longer in this society. On top of that, they have to fight to get benefits which are totally inadequate.

Unless we recognize the basic principle that workers must not be considered a commodity that can be dismissed once it is no longer useful for the purpose of performing work in our society, any reform will be quite useless.

I am puzzled by the fact that this summer we are going to have meetings of the standing committee on resources development for three weeks to study, as the motion says, both the Weiler report and the white paper. As my colleague the member for Nickel Belt has said, Professor Weiler was appointed by the Minister of Labour in 1979. I want to remind the minister that the appointment took place three years ago.

In 1979 he was asked to make a review of the Workmen's Compensation Board. That is the part of the report that will be examined by the resources development committee this summer. He was also asked to provide his opinion on the universal insurance scheme that has been advocated for many years by the New Democratic Party. This summer the report on universal insurance will not be available.

I hope I am wrong but I think this summer, when the resources development committee meets, it will only be dealing with the Weiler report, which is only part of the task that Professor Weiler was supposed to bring to conclusion and did not. When will the legislation come in? Will it be after Weiler has submitted his second report, or when? We do not have any assurance at all.

The minister said this is also a result of the change of ministers. I have been asking questions repeatedly during this session because I think the government plans to stall the reform of the Workmen's Compensation Board as long as possible.

On March 19 I asked the minister what he thought of the Weiler report and its implementation in view of the fact that the previous

minister had said he would have all presentations by January 6 and therefore would be in a position to introduce legislation in the House. When I asked the minister, he said, "I cannot give you an answer now because I am new to this job. Give me time."

On April 26, in reply to a question I asked of the minister, he said there were several groups who had asked to make presentations. I asked him how many groups there were. There was a deadline, and on May 6 he answered me by saying that of the 75 briefs presented, six were oral presentations. On April 26 there were 11 requests to make presentations; by May 6, six had been heard and five were outstanding. I gather from the information the minister gave me on the Order Paper that there are no more requests or presentations to be made. What will the summer committee deal with?

If the government was serious, it had all possible opinions from labour organizations, injured workers' organizations and employers' organizations—a very large area of opinion. If the government was serious, then the minister should have come to a conclusion and come up with some sort of legislation.

Not only did the minister not do that, but the other night when we debated my question, he did something even worse. Because of the excuse that this summer the Weiler report and the white paper would be examined by the resources development committee, he refused to introduce the amendment to the act in order to give the injured workers a cost of living increase in benefits. I find that unjustifiable. When we debated that the other night, he was unable to give any rationale at all. He could not justify why he was refusing.

I remember a previous minister, the member for York Mills (Miss Stephenson), at least found a very expensive excuse. She told us, "We cannot introduce the amendment now"—I think it was in 1978 or 1979—"because we need an actuarial study." A very expensive study concluded that the Workmen's Compensation Board did not need money and she was able to stall the increases in workmen's compensation benefits because she found that excuse.

The present minister was not even able to find a single excuse. I read carefully what the minister said the other night. He said, "We introduced amendments in 1978, 1979 and 1981 and in the fullness of time we will introduce amendments." In the meantime, what will injured workers do? That is why I am perplexed by the fact that the government is suggesting there is a

need for a public forum for the discussion of the Weiler report and the white paper on the Workmen's Compensation Board. This is just diverting attention from the immediate needs of the workers.

11:50 a.m.

Nobody can dispute the fact that this is the only group in our society—I challenge the minister to name any other such group of people—which receives benefits or pensions and which is not in a position to have an increase as a result of an increased cost of living.

Interjection.

The Deputy Speaker: We are trying to speak to the motion.

Mr. Di Santo: I am speaking directly to the motion.

Hon. Miss Stephenson: Scarcely.

Mr. Ruston: Isn't it normal procedure? Is there something wrong with it?

Interjection.

Mr. Di Santo: If I understand correctly, his whipship does not wish me to speak on the motion. I do not understand the point.

As I was saying, I was perplexed. The government, by suggesting there is a need for a further study of both the Weiler report and the white paper by the resources development committee, is in effect diverting the attention of the public from a more immediate decision that the government should have made but did not.

Hon. Mr. Gregory: Do you people talk to one another over there at all?

Mr. Di Santo: As my colleague the member for Nickel Belt has said, if the minister is serious he should, at this late date, think of immediately introducing an amendment to the Workmen's Compensation Act so it can be passed before the end of this session. That would have more validity than spending four or five weeks this summer studying the Weiler report. I do not understand why his whipship is so intolerant. This is an issue I feel very strongly about.

Mr. Robinson: On a point of order, Mr. Speaker: As I look across the House I note a complete lack of opposition faces except for the member for London North (Mr. Van Horne). I have to wonder if they have an interest in this debate and if it is going to go on at great length.

Hon. Mr. Gregory: On a point of order, Mr. Speaker: It is not my intention to be critical of anybody for speaking on this motion, but I wonder if the honourable member understands

that all we are trying to do is to refer this to committee and accomplish what the third party wanted.

I do not think there is any debate on our part about whether or not it should go to the committee. I wonder if the member could be reminded that he will have ample opportunity during four or five weeks of the summer to say what he is saying. It is my feeling that debate on this should be confined to whether or not the report should be referred to the committee and to the ability to obtain the help they need in dealing with the report. It should not be a debate on some unhappiness the member has with the Workmen's Compensation Board. That is not inherent in this motion, and we must realize that we have a great deal of work to do before the end of the session.

Mr. Laughren: Mr. Speaker, I wonder if I could have a ruling from you as to whether we can speak more than once on this motion.

The Deputy Speaker: It is my understanding that we cannot.

Mr. Van Horne: On a point of personal privilege, Mr. Speaker: The member for Scarborough-Ellesmere (Mr. Robinson) pointed out that there was no one here, and then noticed that I was sitting off to the side. I would like to point out that the member for Kitchener-Wilmot (Mr. Sweeney) is also in the House.

The Deputy Speaker: Back to the notice of motion: I am looking to direction from all members of the House on this matter as to whether the chair was being a little restrictive in terms of the debate on whether this should go to committee. I think we have been awfully tolerant in allowing a freewheeling discussion on various aspects of the board.

Mr. Laughren: The Tory whip is provoking us.

Mr. Di Santo: Mr. Speaker, I do not understand why the Tories—

Hon. Mr. Gregory: If you don't want to pass it, vote it down.

The Deputy Speaker: Order. The member for Downsview (Mr. Di Santo) has the floor.

Mr. Di Santo: I am rather amused by the fact that the member for Mississauga East (Mr. Gregory) is becoming more and more intolerant. I think I am speaking exactly on the terms of reference in the motion. I am expressing my positive and constructive criticism in order to come to a position that is acceptable to all the members of the House and is also constructive. I

was saying I had some questions about the fact that both the Weiler report and the white paper are being referred to the resources development committee this summer, and I beg you to correct me if I am not speaking directly to the motion, Mr. Speaker.

I was saying I am perplexed. I should perhaps restate what I said at the beginning. I am in favour of a public forum where this important issue will be debated. I also said that the debate has been very long, and I was expressing my suspicion that, by referring this to the resources development committee this summer, the government is trying to set up a diversionary tactic to avoid taking responsibility right now for amending the Workmen's Compensation Act.

Hon. Mrs. Birch: I would point out to the honourable member—

Mr. Di Santo: If the member for Scarborough East (Mrs. Birch) wants to intervene, I can yield the floor to her.

Hon. Mrs. Birch: It has been pointed out to the member over and over again that this is being done at the request of his own party. Its members suggested that this go to the committee in the summer, and the member keeps speaking against it and questioning why—

Mr. Laughren: No, we support the motion.

Hon. Mrs. Birch: It does not sound like that to me. The member keeps questioning why it is being done. He keeps suggesting the government is trying to delay it. We are doing exactly what they requested.

Mr. Di Santo: Mr. Speaker, I want to thank the member for Scarborough East, but she probably misunderstood me. I am not saying the government is trying to delay debate on the white paper and on the Weiler report. I said, and I want to repeat, that by sending the Weiler report and the white paper to the resources development committee this summer the government is giving up some of its responsibilities vis-à-vis some of the decisions it should make right now about amending the Workmen's Compensation Act in order to increase the benefits.

Moreover, I said I am in favour, and I want to repeat that for the third time, I am in favour of having a very thorough debate on the Workmen's Compensation Board, because I think the present system is outdated. It belongs to the past. It is the result of a capitalistic conception of our society.

Hon. Mrs. Birch: That is exactly why this concern is being expressed. But we are only here to debate the resolution, not to go into a

long harangue about what the government is doing or is not doing. We have agreed there is a need to take a look at the Workmen's Compensation Board, and that is exactly what is going to be done. I think the member is taking advantage of the situation to—

Mr. Laughren: Why are you prolonging the debate?

Hon. Mrs. Birch: Why am I prolonging it? Because I have sat here for hours and hours listening to a lot of nonsensical haranguing.

12 noon

Mr. R. F. Johnston: Mr. Speaker, on a point of order: I just want to say that I was so pleased to hear the minister up speaking on this issue that I was hoping she would go on longer, actually. I am disappointed that the member for Nickel Belt feels she is unnecessarily prolonging the debate. I was really pleased that she was participating.

Hon. Miss Stephenson: Why do you not speak to it?

Mr. R. F. Johnston: I will speak in the debate in a few minutes, and I will yield the floor from time to time to her.

Mr. Di Santo: Mr. Speaker, thank you very much for your patience and for allowing the member for Scarborough East to make her point. She spoke twice. She is quite exceptional for the secretary of—

The Deputy Speaker: Let us not get into a diatribe of personalities.

Mr. Di Santo: I am speaking on the point of order, Mr. Speaker. Not only does she usually not speak, but she also never answers the questions when she—

The Deputy Speaker: Come on.

Mr. Di Santo: I agree with her. For the first time since I have been in this House, the minister made an admission that there is a need to change the Workmen's Compensation Board. That is an admission that all of us agree with, and that is why I was making my remarks, trying to be constructive and—

Interjection.

The Deputy Speaker: Here we go again.

Mr. Di Santo: Mr. Speaker, the Minister of Education wants to make a point. If you will allow it, I will yield the floor to her.

The Deputy Speaker: No. She has not asked for anything.

Mr. Di Santo: I do not know whether I will be sitting on the committee, but since I am a

member of this assembly and we have this important resolution before us today, I think it is my right to debate the resolution. If I am wrong, I ask to be corrected, because I like the Minister of Education. At this very moment, Mr. Speaker, you are unbiased, objective and impartial—

The Deputy Speaker: I always am.

Mr. Di Santo: —and you recognize my right to speak on the resolution.

To go back to the resolution, which is very important, we agree with the debate. Since I know that the member for Scarborough West (Mr. R. F. Johnston) wants to give a very learned contribution to this debate, I will conclude my remarks by saying that we agree with this referral. But I want to ask the minister for the first time whether he does not feel compelled at this point to increase the benefits to the injured workers by introducing an amendment in this House before the end of the session or, if not, to stand up and have the moral courage to explain why he does not want to do that.

Mr. Ruston: Mr. Speaker, I will very briefly say that I am very happy that we are sending this to the committee. I am sure they will have every opportunity to meet on it, peruse it and come up with some great resolutions to the problems we have now with workmen's compensation. I was glad to hear the Minister of Labour say that if it took three weeks, four weeks or five weeks, it would be fine. We are glad to hear that; so we certainly approve the resolution.

Mr. R. F. Johnston: Mr. Speaker, I rise only in confusion about the Minister of Labour speaking again.

The Deputy Speaker: No. I clarified to the member for Nickel Belt that we are speaking only once to this.

Mr. Laughren: That is what we said.

Mr. R. F. Johnston: That is what I thought. Interjections.

The Deputy Speaker: Member for Scarborough West, have you spoken to this?

Mr. R. F. Johnston: I have not yet.

The Deputy Speaker: Would you like to?

Mr. R. F. Johnston: No.

Interjections.

The Deputy Speaker: I am having trouble, because I cannot recognize the Minister of Labour. What should I do?

Hon. Mr. Gregory: Mr. Speaker, I was just

wondering whether there were going to be any further speakers.

Mr. McClellan: Unless we are provoked, no.

Hon. Mr. Gregory: Fine.

Motion agreed to.

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS (continued)

On vote 701, ministry administration program; item 1, main office:

The Deputy Chairman: The member for Nickel Belt (Mr. Laughren) has the floor.

Hon. Mr. Bernier: Is he taking over for the member for Beaches-Woodbine (Ms. Bryden)? I believe she adjourned the debate.

The Deputy Chairman: There is no adjournment. The member for Beaches-Woodbine will have plenty of opportunities to participate. Was the minister in the middle of a reply?

Mr. Van Horne: On a point of order, Mr. Chairman: As we left the last debate, the minister was about to respond. I quote from Hansard at page 2166:

"Hon. Mr. Bernier: My response will be lengthy."

"The Acting Chairman: Then I would suggest it might be appropriate to move it on to the next time slotted for your estimates."

I submit that the minister should have the floor to proceed with the flow we were enjoying in the last estimates debate.

The Deputy Chairman: Does the member for Nickel Belt want to hear from the minister at this point? It seems there is something unfinished at this point.

Mr. Laughren: I have no problem with that.

Hon. Mr. Bernier: Thank you very much.

I believe that when we wound up last time, as the member for London North (Mr. Van Horne) has pointed out, the member for Beaches-Woodbine was discussing the wild rice issue. She was going on at great length about the extension of the moratorium and so on.

I listened to her with great interest, and it was typical of the kind of contribution that comes from an individual who has done little research and has little knowledge about a subject that is really a northern Ontario matter. I doubt if she even knows how to cook wild rice. I get a little annoyed when members go on at great length about something they are not totally familiar with, when there are so many members, such as

the member for Nickel Belt and the member for Lake Nipigon (Mr. Stokes), who are very well informed.

It was obvious in the course of the input by the member for Beaches-Woodbine that there was very little background knowledge. It was superficial and missed the whole point of the debate we were having about trying to maximize the benefits not only to our native people but to the entire community. She missed completely the point that I and, I think, others were trying to make.

The question was asked of me, what has—

Mr. Laughren: Now that you have got the smear out of the way, you can get on with the facts.

Hon. Mr. Bernier: It was not a smear, just the facts. I am disappointed she is not here.

The Deputy Chairman: To the member for Nickel Belt, who was kind enough to give up the floor for the minister, I say that we shall give you a chance to respond shortly.

Mr. Laughren: I realize now that I made a mistake.

The Deputy Chairman: It would be pleasant to hear from the minister. Then we shall be pleased to hear from you.

Mr. R. F. Johnston: He has the floor and a lot of gall.

Hon. Mr. Bernier: The member for London North and, I believe, the member for Lake Nipigon inquired as to what the Ministry of Northern Affairs has done and is doing with respect to its involvement in wild rice.

As Minister of Northern Affairs, and in my former role as Minister of Natural Resources, I have long recognized the economic benefits of wild rice development to the residents of the north, including the traditional significance of the crop to our native people.

Beginning in 1978, the Ministry of Northern Affairs funded the following projects through the Ministry of Natural Resources:

A wild rice inventory: a complete inventory of the wild rice crop in the Kenora, Dryden, Fort Frances, Ignace, Sioux Lookout, Red Lake, Hearst and Gogama areas.

12:10 p.m.

Applied research: assessing the suitability of waters for planting wild rice; planting new nonshattering varieties of wild rice in natural lakes of Ontario; testing new techniques of harvesting wild rice; the use of satellite technology and aerial photography for rice inventories;

studies on (1) effects of undecomposed rice straw on production of rice beds, (2) determining most desirable water levels and (3) improving rice production through control structures.

Educational program: demonstrations of mechanical harvesters; slide production—A Pictorial View of Wild Rice Production in Canada; technical assistance to various wild rice producers; planting two lakes for research and field demonstrations; and, with the Ministry of Natural Resources, we produced a wild rice recipe book.

The last item we were involved in was the printing of posters and on-site checking of certain complaints as part of the enforcement package.

The wild rice research project at Lakehead University was initiated in August 1981. The thrust of the study is to increase the production of wild rice in Ontario by examining the effects of fertilizers, herbicides and water depth on the production of wild rice. Scientific analysis of these factors will result in recommended management techniques, which will benefit the industry in general and help stabilize yearly yields of wild rice.

In the past, major fluctuations of wild rice crops have been a serious factor in constraining the development of the industry. An important facet of the program is the extension service which provides assistance to all user groups to examine local problems. Information meetings have been held with representatives of Treaty 3 and the Ontario Wild Rice Producers Association.

Under the guidance of the project leader, Dr. Peter Lee, field sampling, observations and laboratory experiments will be conducted during this, the second year of a five-year program. Wild rice user groups have continued to show interest in and support for the program. Program updates will be communicated to these groups directly and through the yearly progress reports.

I would like to read into the record just a paragraph of Professor Lee's first-year report, which I know will be of interest to members. It is the last paragraph on page 67, carrying over on to page 68. It reads:

"Informal meetings have also occurred with wild rice researchers from Manitoba, Saskatchewan, California and Minnesota. Probably the most exciting development was the spirit of co-operation among those who are genuinely interested in the wellbeing of this industry. For the first time, Canadians will be admitted to the

growers' organization in Minnesota, being renamed this summer the International Wild Rice Growers Association.

"In Canada itself, Lakehead University, the University of Manitoba and the University of Saskatchewan have agreed to co-operate in their wild rice research programs so as not to duplicate research. University personnel from the two neighbouring provinces are currently trying to obtain research funds from their respective provincial governments.

"The Ontario Ministry of Northern Affairs, for its part, has actively encouraged this co-operative effort and hopefully the other provincial governments involved will adopt a similar progressive attitude."

That is the final page of Professor Lee's first-year report. It does point out to the honourable members that we are very actively involved in research and promotion of this product.

Mr. Van Horne: Mr. Chairman, when we met last week the minister promised to provide copies of that. I still have not received a copy. Is that because it has not been sent, or was it sent to the wrong place?

Hon. Mr. Bernier: I just have my one copy with me, but the members will get a copy.

Mr. Van Horne: We will get one?

Hon. Mr. Bernier: They are in the office. I am sorry, I did not bring them over with me.

Mr. Van Horne: Will the minister see that we get them as soon as possible? I would appreciate it.

Hon. Mr. Bernier: Yes. We can have one for the member for the weekend. We will do that.

I would like to wind up by noting that in my very recent discussions with Willy Wilson of the Emo area, who is now actively involved in the promotion not only of harvesting but also of processing and marketing and all other aspects of wild rice from a native point of view, he pointed out that three years ago Saskatchewan produced very little wild rice. Last year it produced more than 500,000 pounds. This points out that by staying the way we are, in what we might call a stagnant position, we are really doing harm not only to this province but also to our native people by not getting on and moving ahead in an aggressive way.

With the amount of research being done now in the various universities and the co-operation we are getting, the benefits can be tremendous to the whole community of northern Ontario.

That winds up my remarks as they relate to

wild rice. I have some other comments and answers with respect to The Atikokan Story. I have a response to the 15 recommendations. Mr. Chairman, if you want those now, I could read them into the record.

Mr. Van Horne: I would appreciate it.

The Deputy Chairman: Please do.

Hon. Mr. Bernier: The member for London North asked if I would put on the record our response to the 15 recommendations made in The Atikokan Story, which was prepared by the Municipal Advisory Committee. I have that with me and I would like to follow up on that right now.

I would point out first that The Atikokan Story referred to by the member and of which he has a copy was prepared by the Municipal Advisory Committee. The Municipal Advisory Committee is a committee established by the municipalities. It has only elected representatives and it reports directly to the Ministry of Northern Affairs, both in the northeast and in the northwest.

The committee prepared this report to chronicle the efforts of Atikokan in rebuilding the community's economic base after the closure of the two iron ore mines. As I pointed out a moment ago, it is in an advisory role to the minister and it presented me with The Atikokan Story report on October 6, 1981. I have taken the recommendations under advisement and in a letter dated December 9, 1981, forwarded copies of The Atikokan Story and the recommendations therein to my cabinet colleagues for their information and follow-up.

Of the 15 recommendations directed towards the province, the majority are being acted on and are already normal practice within the provincial administration. It should be remembered that since its inception in December 1974, MAC, as we know the committee, has provided a format for northern Ontario communities to review many of the specific concerns that northern communities have about their development. Matters such as the high cost of transportation, the importance of recreation and, most recently, diversity in economic development have now been reviewed from the municipal perspective. I find this exciting and commend the municipal representatives for their efforts.

Before getting too specific, it should be noted that MAC is not the only body in the north making its concerns known to the provincial government. Other groups, such as the Federa-

tion of Northern Ontario Municipalities, the Northwestern Ontario Associated Chambers of Commerce and the Northwestern Ontario Municipal Association, meet annually with cabinet to discuss their concerns. Of course, these groups do not necessarily have the same opinions.

More specifically, to the questions asked concerning the recommendations made to the province in *The Atikokan Story*, I have the following comments.

Recommendation 1: Northern Affairs as a co-ordinating ministry with discretionary funding. I point out that MNA remains as the co-ordinating ministry in the north and maintains its discretionary funding and flexibility in dealing with northern issues. I think the key to the Atikokan success was our flexibility in providing these discretionary funds.

Mr. Van Horne: Mr. Chairman, I am sorry to interrupt, but I have a question on that. When we have an instance such as we had in Mississauga a year and a half or two years ago with the derailment, one has to move very quickly. We know that one of the ministries has been assigned as the lead ministry to co-ordinate all the activities in a happening such as that. Does that hold for the north?

In other words, I am not sure whether it is the Attorney General or the Ministry of Labour or which it is that is the lead ministry. If something were to happen in the north, would that same ministry be the lead ministry or would it be the Ministry of Northern Affairs?

Hon. Mr. Bernier: It all depends on the type of requirement. In a disaster, the disaster relief fund comes into play and the Attorney General's office, along with the Solicitor General's office, moves in and looks after those specific disasters. The Ministry of Natural Resources has been assigned certain areas of concern, which I believe are fires and floods in the north. We just play a supporting role in those disasters.

12:20 p.m.

But where there is a community decline or a special requirement in relation to a disaster, such as the closing down of a mine in a community, then by order in council we have been designated as the lead ministry. That is what we were in the Atikokan situation. An order in council was passed by the cabinet that designated Northern Affairs as the lead ministry, and we were given certain authority to assist in a monetary way. It worked exceptionally well. We have been given that authority as well with respect to Pickle Lake and in the South Bay

mine closure, where we were designated as the lead ministry to go in and work very closely with the community and its people as that situation moves ahead, and we try to be the one contact for the government.

I think we all realize that in a situation such as Atikokan it becomes very difficult and frustrating for the municipal leaders, who are seeing a decline in their tax base, to walk through the government and touch base with all the various ministries.

My deputy has correctly pointed out to me that we were also a lead ministry in the Field disaster, where several floods and a hurricane occurred. By order in council, Northern Affairs was designated as the lead ministry. We actually rebuilt that community, with funds in excess of \$3.5 million spent in the Field operations. I am sure the member for Nickel Belt has been to Field, and I encourage honourable members to see that rebuilt community. It was the excellent leadership and direction given by my assistant deputy minister, Herb Aiken, that made it all possible and made it happen. It is that kind of direction that seems to be working quite well in the north.

Mr. Laughren: Mr. Chairman, regarding the wild rice issue, first of all—

Mr. Van Horne: On a point of order, Mr. Chairman: I interrupted the minister a few minutes ago during his presentation on the first recommendation. There are 15 recommendations, and he was going to go through the list. He has not been able to do the remaining 14, and I would like him to do that.

The Deputy Chairman: Thank you very much. Perhaps the member for Nickel Belt will appreciate that there is some more to go here.

Mr. Laughren: I am appreciating it more all the time.

Hon. Mr. Bernier: Yes, that was in answer to your first question.

Recommendation 2 was for a task force on declining communities. We have two staff committees established within the government now. One committee is chaired by the Ministry of Northern Affairs and is looking at a government response to rapid growth situations. We have a second committee, chaired by the cabinet committee on resources development, that is looking at the rapid decline situations. Both committees are nearing the point of presenting their preliminary reports to their respective senior staffs.

Recommendation 3, the development of effec-

tive training programs. There is currently a municipal clerks and treasurers correspondence training course based at McMaster University in Hamilton, and several of our northwestern Ontario communities are participating in this program at present.

To provide further assistance, Confederation College has on an individual and group seminar basis assisted with the clarification of certain study units in the above-noted correspondence courses. The business faculty at Confederation College at Thunder Bay has designed and will design education training programs not only for municipal government officials but also for other volunteer groups upon request.

Sessions in the past have been held with the Northwestern Ontario Municipal Association and the Thunder Bay Municipal League on such subjects as bargaining, performance appraisal, etc.

We all know of the Municipal Action 85 program, which was introduced recently by my colleague the Minister of Municipal Affairs and Housing (Mr. Bennett), a new training program for municipal staff. The northwest regional staff introduced this program at NOMA in 1982, just in the past several weeks.

Recommendation 4: Shared municipal professional services re joint planning boards, trimunicipal job committees, social and health services. This initiative is coming from the municipal level, as it should, but provincial funding is available for many services, such as planning assistance grants. My ministry has been supportive in working with communities wishing to pursue this co-operative direction.

Recommendation 5: Provincial standards for on-the-job training. The skills development division of the Ministry of Colleges and Universities provides upgrading programs and courses for workers to learn a skill and receive credit certification. Though the training is provided, there is no guarantee that a job will be there upon graduation.

In connection with the Atikokan mine closure, the ministry provided a welding course for skilled operators and allowed individuals with an incomplete apprenticeship at the mine to complete the course after the mine closed. Carpentry and food preparation courses were also offered in Atikokan. A number of the trainees left Atikokan to seek employment elsewhere.

The skills development division of the Ministry of Colleges and Universities establishes provincial standards for on-the-job skills train-

ing which must be adhered to with a view to employment skill portability within the province. Competence verification, in part, would come from certification or apprenticeship achievement.

Recommendation 6: A resource depreciation tax. This is an interesting concept which is now being reviewed by the Ministry of Northern Affairs special committee. In the meantime, the province will tax the industry through conventional means and will meet special funding situations, such as Atikokan, through the use of traditional taxing sources.

Recommendation 7: Nature of new communities. We are well aware of the need not to proliferate new communities at every resource site and have used all three options outlined in *The Atikokan Story*, as the following examples demonstrate:

(a) Northern Affairs recently provided \$10,000 for a study of the South Bay mine closure to gain additional knowledge of the benefits of a zippered community concept.

(b) We agree that local government responsibility is important. The recent history in Ear Falls and Pickle Lake indicates the province's willingness to move in this direction.

(c) Piggybacking on existing communities was the concept employed in Ignace and, more recently, at Detour Lake as to municipal boundary extension and sharing of tax revenue by importing communities. We have agreed this is an issue which can be pursued further and is not outside the mandate of the committees to which I referred.

Recommendation 8: A housing buy-back fund. This one does not sit easily. Many houses in the small single-industry communities of northern Ontario are company owned. We looked at the recommendation and wondered what would happen if that same type of program were applied in a place like Windsor. We would rather see economic diversification and long-term stability than vacant houses, no matter who owns them.

Mr. Laughren: When is that going to come to northern Ontario?

Hon. Mr. Bernier: It will come. We are working on it. I think our response would be to spend our dollars on more positive action than just buying up houses.

Recommendation 9: A change in the *laissez-faire* approach to industry. Our ministry is interested in promoting the development of industry in the north and is confident that through its work with servicing programs and

economic development strategies, the north will continue to become increasingly attractive to industry interested in long-term location in our communities.

Recommendation 10: Changes to the small business development corporation program for small remote communities. The Ministry of Industry and Trade is currently experimenting with a program of community development corporations which will have more public money input and which it is hoped will augment the existing SBDC program. George Ormerod of our Sudbury office currently sits on the steering committee for the community development corporations.

12:30 p.m.

Recommendation 11: Pro-active stance by the Ministry of Colleges and Universities. The Ministry of Colleges and Universities was represented on the Atikokan disaster committee, as was Confederation College. Flexible funding may be available, as demonstrated with the Pickle Lake mine closure, whereby Confederation College is supplying a transition counsellor via dollars from the Ministry of Labour. That is 100 per cent funding.

Recommendation 12: Waste heat from greenhouses in Atikokan. This project has been one the Ministry of Northern Affairs has discussed with the Atikokan aid committee. A federal lead group has been pursuing the project for the past two years but it was recently disbanded. The Ministry of Northern Affairs will assist the aid group in its approaches to other ministries in pursuing the technical merits of this idea. The ministry has been involved, as members are aware, in a greenhouse project at Raymore utilizing the waste heat from the TransCanada PipeLines compressor station.

Recommendation 13: Atikokan transition counsellor. The Northern Affairs members of the jampack group—a final report is being prepared by Lakehead University to review transition counsellor functions and to provide guidance for future counsellors.

Recommendation 14: Increased education services in non-urban areas by community colleges. I refer members to my answer on item 5, which spells that out. We have a number of those being provided through Confederation College. I guess the most recent has been our efforts for manpower retraining in Minaki, where the Ministry of Northern Affairs and Confederation College went into Minaki two years ago and through the efforts of the chairman of the Minaki board, Mr. Charlton, set up a

very intensive retraining program that saw the local people, the native people, become better informed and better equipped to take on some of the jobs that will be available to them when Minaki Lodge opens next year.

Mr. Laughren: The ones who used to harvest wild rice.

Hon. Mr. Bernier: Yes, they can even do that. They can help with wild rice.

Recommendation 15: The crown land camping policy of the Ministry of Natural Resources. This is of interest to all of us. I understand that at present this is being reviewed by that ministry. I suggest to the member for London North (Mr. Van Horne) that might be one recommendation he should discuss in the estimates of the Ministry of Natural Resources. They would have more information than we would. We have certain inputs to the ministry with respect to our own feelings as they relate to crown land camping and we will be putting those forward, but the actual responsibility for that program is with the Ministry of Natural Resources.

Mr. Laughren: Mr. Chairman, I must say I was very disappointed in the minister's remarks on what my colleague the member for Beaches-Woodbine (Ms. Bryden) had to say about wild rice. The minister found some factual errors in what the member said. I think he has every right and an obligation to point those out, but just to stand up and make the wide smear that she did not know what she was talking about and probably did not even know how to cook the rice is unworthy of the chamber.

When I hear the minister talk about the benefits flowing to the communities of the north with the development of the wild rice industry, I have to take what he says with a grain of salt. If the minister really wants to give the greatest benefit to northern Ontario from its wild rice harvest, he should do two things: One, he should make sure, convince, browbeat, and clobber, if necessary, the Premier (Mr. Davis) into making sure that moratorium is extended. He should declare wild rice as an exclusive Indian resource. That is what the minister should do.

If the minister would do that, it would give an economic backbone to those communities that they do not now have. It would give them a resource in which they have some cultural and religious traditions. It would give them a resource on which they have some expertise. I know the problem. The problem is that they would not develop the resource as quickly as the minister would like to see it developed. That is his fear. I

say that the time frames of our society are not always the best ones when it comes to development of a resource.

When that moratorium was declared four years ago, this government promised assistance, and that assistance has been marginal according to the Treaty 3 people. That is simply not good enough. We are a society that can afford to turn over that harvest to our native people. I firmly believe that. I know the minister gets letters from all across Ontario on this resource. This is an opportunity to say to our native people, "Here is a resource which will aid you in your struggle to improve economic and social conditions in your communities." That is what it would allow us and the native people to do, but there is not the generosity of spirit in the minister or his government to do that.

A little over a week ago the Treaty 3 people presented the Premier with what is known as the Paypom document—I do not have it in front of me, but I think it is dated 1873—which states that, "The Indians will be free as by the past for their hunting and rice harvest." That seems to me pretty specific. I am not an expert on it, but I think there is consensus that the Paypom document is a legitimate document. This government should recognize it as a legitimate document and as a legitimate agreement between governments and our native people.

I know it would ruffle some feathers if this government did declare it an exclusively Indian resource. I know it would ruffle some feathers, but in the long run we would be better served if that was done. I would encourage the minister to put aside some of his traditional ideas about how a resource should be developed and let the native people, with our assistance, decide how best to harvest, process and market the wild rice of this province. I think it is a terribly important thing to do and I encourage the minister to do it.

When the native people look at the assistance other groups in society get, whether it is the pulp and paper industry, the automobile industry, whatever, they see themselves as being put on the back burner for any meaningful and substantial assistance from this government. There is some, but it is grudgingly given and it is not enough to allow them to develop that industry the way they would like to develop it.

The other area I want to touch on briefly, because we do not have much time, is northern Ontario hydro rates, a rate structure that would allow Hydro to charge more in the winter than in the summer. The minister has stated he is opposed to that. That is what he says. It is his

government's policies that would allow Hydro to do that, but at the same time, even though he is a member of cabinet, he pretends that he is opposed to that structural change in rates.

In making statements like that, one minute you are representing your government, extolling its virtues and beating your chest about how much it has done over the years, the next minute you are saying, "I do not like that policy." As a member of cabinet you cannot have it both ways. I remember reading something in *Hansard* at one time, I cannot remember who said it now, but the member said, "The Minister of Northern Affairs stumbles across northern Ontario like a wounded moose in a blizzard." When I see the minister doing things like that with policy then I know why people view him that way. That is simply not an appropriate way for a member of cabinet to behave.

The third point I would like to talk about is the question of nursery expansion. As a result of forest management agreements that have already been signed, and I believe eight have been signed now, and there will be 30 signed within the next couple of years, it is going to require an enormous new commitment to silviculture and nursery stock in the province.

Nurseries are being expanded. Some nursery stocking is being contracted out to the private sector. The trouble is, there are all sorts of opportunities here that are not being taken advantage of by the Ministry of Natural Resources. The Minister of Northern Affairs (Mr. Bernier) should be there saying to the Minister of Natural Resources (Mr. Pope) that there are all sorts of communities in the north that would receive a real shot in the arm if nurseries were established in those small communities. You will never guess the community that comes to mind first.

12:40 p.m.

Hon. Mr. Bernier: I know exactly what you want. It has to be Foleyet.

Mr. Laughren: I think Foleyet should have a tree nursery.

[Applause]

Mr. Laughren: I firmly believe that and I am very pleased to see other members supporting it.

Hon. Mr. Bernier: Let the record show I said Foleyet first.

Mr. Laughren: Right at this time, there is a very nice expansion going on in the Gogama Tree Nursery. I went on a tour of it and I saw a tree nursery up close for the first time. I had driven by and stopped there before, but that was

the first time I got a good look at how a nursery operates. That was about a month or two ago and I enjoyed the tour very much. They were very kind, took me all around and explained it fully to me.

I believe there is an opportunity for small communities to establish tree nurseries that would be very useful for those communities. It also decentralizes the jobs in northern Ontario and brings the provision of nursery stock closer to where it will be used. There are all sorts of opportunities and I think it is incumbent upon this minister to make sure those small communities get tree nurseries.

The commitment that will be required under those forest management agreements is mind-boggling. The Ministry of Natural Resources is barely able even to think of the number of dollars required to provide nursery stock for the forest management agreements.

Another point is the whole question of one-industry towns the minister talked about. One can go into small communities that have one industry, but one can also go into big communities that have almost one industry.

Right now in Sudbury, we have a major strike going on and while Falconbridge is not out, Inco is. When there is a major strike, it deals a severe blow to a community that is not well diversified. Sudbury is better diversified than it was 10 or 20 years ago, primarily because of the public sector, not the private sector. If one looks at the new buildings that have been built in Sudbury in the last 10 years, almost all of them are public sector buildings.

Hon. Mr. Bernier: By this government.

Mr. Laughren: No, the federal government as well. It is your government that is always extolling the virtues of free enterprise in the private sector, but that is not who has come in to rebuild the Sudbury community. It is not your friends in the private sector. That is not because the community has not tried.

Hon. Mr. Bernier: What about Sudbury 2001?

Mr. Laughren: That is what I was getting to. Sudbury 2001 tried hard to get the private sector to come into Sudbury. It had some success, but basically it is a serious problem of not having enough diversification. Otherwise, the strike would not have the impact it does on the community.

The one-industry town problem is still not solved. The Ministry of Northern Affairs should be looking after those communities where the Ministry of Natural Resources is pulling out.

When this minister was the Minister of Natural Resources, he authorized the closing of the Ministry of Natural Resources' district offices in communities like Foleyet and Sultan. Then he did not do anything to follow up. Now that he has this ministry's responsibilities, he does not follow up and rebuild those communities because of a lack of a Ministry of Natural Resources office there.

I saw two communities bulldozed to the ground while this minister sat on his hands and watched it happen. I am talking about the towns of Kormak and Island Lake near Chapleau. In both cases, it was as a result of a merger of two companies. Two forestry companies merged, closed out these two towns, completely bulldozed Kormak to the ground and Island Lake is in the process of being emptied out now.

What really bothered me, and I intend to pursue it with the Minister of Natural Resources in his estimates next week, is that the Minister of Northern Affairs and the Minister of Natural Resources watched that happen and did not raise a finger. He should tell me how he can justify two companies merging and wiping out two towns because that simply is not fair.

What I suspect—what I know happened—is that it really was not a merger. It was the purchase of one company by another and this minister knows full well that you are not supposed to be able to transfer cutting rights from one company to another. That must go through the crown, if I understand the Crown Timber Act, but this minister and more importantly, the Minister of Natural Resources, allowed that to happen.

He allowed a company to purchase another company's cutting limits and disguise it in the form of a merger, close out two towns while he did not do anything about it. That simply is not the way we should run things in northern Ontario. I am really disappointed in the Minister of Natural Resources because he has responsibility for the cutting limits and the timber rights and so forth, but surely to goodness this minister has an obligation to say to the Minister of Natural Resources: "Why are you allowing them to do that?" Given this minister's previous responsibility, he understands what is happening there. He knows full well that it was Green Forest Products Ltd. that purchased the Island Lake Lumber Co. and the Kormak Lumber Co. and their umbrella company called Wesmak Lumber Co. For the minister to have sat back and allowed that to happen to small communities in the north is simply outrageous and the

people were not treated properly when that happened as well.

I cannot for the life of me imagine a community even of that size being allowed to have that happen to them in southern Ontario. I cannot believe it and yet when I raised it with the ministers here, they looked embarrassed and they looked the other way. That is the way they looked.

Finally, because I want to give the minister time to respond, there is the whole question of the Royal Commission on the Northern Environment. God bless us all. That commission is going to spend \$10 million before it is through, which is the most expensive royal commission in the history of Ontario, if not the western world. This government seems not to want to interfere, nor do they want to allow the commissioner, Mr. Fahlgren, to appear before a standing committee. I have tried in about three different committees. In every single case, the message is out to the government members: "Stonewall. We don't want Mr. Fahlgren appearing before the committee." That is the message. There are too many issues which the commissioner is not addressing. He is not addressing the whole question of the disposal of nuclear waste in northern Ontario.

Interjection.

Mr. Laughren: He is not. He is not addressing the whole problem of acid rain in northern Ontario. Do not forget that it is a commission on the northern environment and how development affects the people and the environment of northern Ontario. That is basically what the royal commission is supposed to do and yet we cannot even seem to have a discussion with Mr. Fahlgren before one of the standing committees so that we could sort things out.

There are all sorts of things I would do, but this minister has been very quiet on the whole storage of nuclear waste problem. They are doing test drillings for the storage of nuclear waste in Massey and yet this government is sitting on its hands and will not come to the aid of the local people. They are letting Atomic Energy of Canada Ltd. go in there and do as they please. I think that is fundamentally wrong because this government signed an agreement with AECL to have storage only in northern Ontario. That is what they have done. Tell me how you justify having nuclear waste stored only in the north and test drilling for storage only in the north. I would like to know how you rationalize that one to your people, your con-

stituents all across northern Ontario in your responsibilities as Minister of Northern Affairs.

I shall bite my tongue and save any further remarks for another day. Thank you.

12:50 p.m.

Hon. Mr. Bernier: Mr. Chairman, if I may respond to the honourable gentleman, I point out to him, on the question of the moratorium, that his colleagues in Saskatchewan and Manitoba have not gone the route he is advocating today. Our production has just skyrocketed, and there is involvement of the native people. In fact, 95 per cent of the people in northern Ontario today who are involved in the wild rice harvesting and production are native people. They are the best. They are well suited to it.

Mr. Laughren: Will you recommend an extension of the moratorium?

Hon. Mr. Bernier: I do not think it is the right thing to do. I really do not. We are doing them a disservice. We should bring them into the mainstream and give them some resources to do the thing they want to do. That is what we are going to do, so they can get on with the job. I will support that right to the hilt.

I will do all I can for them, because that is the route to go, to protect their traditional harvesting areas. Let us never forget that. In all the discussions I have had, it has been stressed that those traditional harvesting areas must be protected; there are religious connotations and cultural connotations. They have to be protected, and this government has always said they will be protected. The involvement and interest that is being shown now is encouraging, but to go the route that some are suggesting would be counterproductive.

I must say that the comments of the member for Nickel Belt are a little contrary—in direct opposition, in fact—to those of the member for Lake Nipigon in relation to the role of the Ministry of Northern Affairs. The member for Lake Nipigon said, on the last occasion when we were debating these estimates, the advocacy role is something that he expects from the Ministry of Northern Affairs, that it will get in there.

The member condemns me for saying something about Hydro rates. He says I am talking out of both sides of my mouth at the same time. Then he wants me to get involved in the Kormak issue with the Ministry of Natural Resources. I really do not know where he wants me to stand. I have to stand up for the north. I will fight for the north, inside cabinet, outside

cabinet, in cabinet committees, inside the government and outside the government. I have made that very clear. Our statement is one we intend to follow. It is effective, and the co-operation I am getting from my cabinet colleagues is most encouraging. We have developed a trust and awareness in regard to the northern parts of our province second to none in any part of Canada.

The member touched on Foleyet; he made some comment about Foleyet. He is exceptionally sensitive about Foleyet. I do not know whether I should read into the record a copy of a letter he distributed to all his constituents in Foleyet, but—

Mr. Laughren: I am glad you have that. Why don't you read it into the record?

Hon. Mr. Bernier: You want it in the record?

This is a letter dated May 1980. It is a report to Foleyet. It is one page. It is a little lengthy, but I will read excerpts from it. The member said, "Not too long ago, the Foleyet local services board passed a motion to request that Foleyet be put into the Cochrane South provincial riding." The people of Foleyet wanted the boundaries changed for their particular—

Mr. Laughren: No, not all the people. There's a difference.

Hon. Mr. Bernier: The people did, yes.

The member goes on to say, "I was surprised to learn of that decision, since nobody had discussed it with me. I didn't learn about it from newspapers or television; the radio stations phoned me. I should point out that not all members of the local services board agreed with the motion." Well, I understand they did.

Mr. Laughren: That is not true.

Hon. Mr. Bernier: This is what I was told. He is very unhappy with the way they have gone, he goes on to say—

Mr. Laughren: Read the whole letter now.

Hon. Mr. Bernier: Do you want the whole letter? Okay.

"I must admit that I was not happy with the way things were done. In my 10 years as your MPP, I have always tried to be open, accessible and above board with the people of Foleyet. You can imagine how surprised I was to start receiving phone calls from reporters who wondered why Foleyet was unhappy with me. When I was elected as your MPP in 1971, Foleyet had been represented by a Conservative MPP for many years. Despite being represented by a government member for so long, Foleyet had no

community centre, no decent firehall or fire truck and no ambulance."

We had a call from Foleyet, and the gentleman told me that the present member did not know they had a firehall or a fire truck until he pointed it out to him.

Mr. Laughren: That's nonsense. Do you believe that?

Hon. Mr. Bernier: That is what he told me.

The member went on: "I fought very hard in the Ontario Legislature for Foleyet and other small communities to receive a decent share of government funds. I believe that at least partly because of my efforts Foleyet has now had some facilities and services it did not have in 1971. I have returned to Foleyet many, many times to make myself available to its people. I have made many good friends in Foleyet, and I intend to return many more times."

But I think the final paragraph is the climax. You have to listen to this one:

"The chairman of the local services board has been quoted as saying that Leo Bernier is responsible for government grants to Foleyet. That is complete nonsense. Mr. Bernier, along with other government ministers, had never heard of Foleyet until I began insisting on an improved level of services for all small communities."

Mr. Kolyn: When did Floyd ever sign the cheque?

Hon. Mr. Bernier: He added: "As a matter of fact, I do not hesitate to take some credit for the very existence of the Local Services Boards Act."

Mr. Laughren: Do you deny that?

Hon. Mr. Bernier: Well, you were not very supportive until I twisted your arm a little bit.

But it is interesting that the people of Foleyet still feel very strongly that they should be with the riding of Cochrane North. My colleague from Timmins, the Minister of Natural Resources (Mr. Pope), assured me he would love to have Foleyet in his riding.

Mr. Laughren: You should hear the calls I get from Massey.

Hon. Mr. Bernier: So I think we will refer to the member now as the member for Nickel Belt less Foleyet.

Mr. Laughren: Just give me a nursery.

Hon. Mr. Bernier: Okay. Seriously, the mem-

ber made reference to the Royal Commission on the Northern Environment.

Mr. Laughren: What about the nurseries?

Hon. Mr. Bernier: Yes, that is a good point.

He indicated he was disappointed that they had not reported on all subjects, such as nuclear waste and acid rain. I want to point out to the member that the Royal Commission on the Northern Environment deals with the area north of the 50th parallel. There is no nuclear waste testing going on in that area, and acid rain is really nonexistent there.

I do not know what the royal commissioner will report when he does report. As you know, the commission will end on December 31, 1982, and he will report by March 31, 1983; so we will see the results of his work. It is extensive work, I must say, and in his first report on the Detour Lake road he slapped the government's wrist.

Interjection.

Hon. Mr. Bernier: Yes, he did, and I think that is his role. I looked at that report with interest.

Mr. Laughren: That was not his report; it was just a commissioned report.

Hon. Mr. Bernier: The commission or whatever it was. Anyway, I think he is moving down the right road. There is involvement by our native people, which is important. There are a number of groups, the Kayahna group, the Taben group, the Windego group—

Mr. Laughren: Atikakee?

Hon. Mr. Bernier: Not Atikakee. They are all involved with funding from this government to the royal commission in that particular way.

Mr. Laughren: Did you know that Hudson wants to join Nickel Belt?

Hon. Mr. Bernier: No, I am sure they do not. Hudson is quite happy to be in the Kenora riding. They love being there.

Mr. Laughren: They do not like the water rates.

Hon. Mr. Bernier: They can have the water

system, I can tell you that. I have been trying to get rid of it now for five years.

Getting back to nuclear waste testing in northern Ontario, I have written to people in Massey to point out to them—

Interjection.

Hon. Mr. Bernier: Yes, they have contacted me on a number of occasions. The fear that is being generated by some of the members' comments that there will be a disposal site there is absolutely wrong.

Mr. Laughren: I never said that.

Hon. Mr. Bernier: Well, you are creating fear by trying to leave that implication. This is only testing.

Mr. Laughren: They will not sign a statement saying they will not put it there.

Hon. Mr. Bernier: There will be public involvement; there will be approval given by this government before any waste disposal site is ever established anywhere in this province.

Mr. Laughren: That is what has us worried.

Hon. Mr. Bernier: It will be five or 10 years before we require a disposal site. In fact, the federal Minister of State for Mines, Judy Erola from Sudbury, informed me that there is enough space now at the present site of the nuclear plants to house those reactor rods for the next 30 years. She said we really do not need a waste disposal site for 30 years, and we have lots of lead time.

If we do not experiment, if we do not look, plan and try to find the best possible site, how will we ever know?

The Deputy Chairman: Perhaps the minister can find an appropriate moment where the acting government House leader can get a motion in.

Hon. Mr. Bernier: This is a good time to wind up this session.

On motion by Hon. Mr. Gregory, the committee of the whole House reported progress.

The House adjourned at 1 p.m.

APPENDIX A

ANSWERS TO QUESTIONS ON NOTICE PAPER

ODC ANNUAL REPORT

93. Mr. Boudria: Would the Minister of Industry and Trade provide the House with the total annual cost of production of the annual report of the Ontario Development Corp., 1980-81, including all costs of printing, graphics and distribution? Would the minister inform the House whether or not this publication could have been produced at less cost using less expensive materials, etc.? Would the minister also inform the House whether such expensive publications constitute the most cost-effective use of taxpayers' dollars? [Tabled April 20, 1982].

Hon. Mr. Walker: Creative design, \$5,000; finished art, typesetting and assembly, \$7,864.67; printing preparation, colour separation, \$8,680; printing (5,200 copies), \$8,124.48; federal sales tax, \$2,670.22; provincial sales tax, \$2,260.55; total, \$34,599.92.

Most of the reports are distributed through the field offices of the development corporations, the Ministry of Industry and Trade, and the Ministry of Tourism and Recreation. In addition, however, single copies are provided to Ontario MPs and MPPs, all Ontario newspapers, radio and television stations, Canadian university libraries, and Ontario public libraries.

Over the past three years, the annual reports have been the only formal information material produced by the development corporations. Consequently, they serve not only as the corporations' yearly report to the Legislature, but also as an information package for business executives and government officials all across Ontario and the world. These reports serve to inform leading businessmen and businesswomen from across the world of the opportunities existing in Ontario. In addition, the reports serve as a catalogue of the services offered by the corporations and provide background information on their history and structure.

WHITE OAKS CHILDREN'S CENTRE

106. Mr. Boudria: Would the Minister of Community and Social Services table in this House the total cost of closing White Oaks Children's Centre in Hagersville, including all costs of relocating clients and any new construction required for this purpose, and includ-

ing all costs of relocating staff and their families? Would the minister also provide the estimated costs of security in patrolling the vacant premises by security guards? [Tabled April 28, 1982].

Hon. Mr. Drea: The cost of closing White Oaks Children's Centre, including all costs of relocating clients and any new construction required for this purpose and including all costs of relocating staff and their families, is \$89,482.

This does not include operating funds reallocated associated with the establishment of a 15-bed centre at CPRI, London, the development of a group home for seven pre-adolescent children in Brantford, six beds in Metropolitan Toronto, nor the establishment of a children's mental health day program in the regional municipality of Haldimand-Norfolk.

The costs of security in patrolling the vacant premises by security guards is estimated to be \$46,800 in fiscal 1982-83. There were no such costs in 1981-82.

HIGHWAY CONSTRUCTION COSTS

129. Mr. Cunningham: Would the Minister of Transportation and Communications supply the following information: (1) What is the total land acquisition cost of the Highway 400 extension to Eglinton? (2) What is the total construction cost of the Highway 400 extension to Eglinton? (3) What is the total land acquisition cost of Highway 400 from Eglinton to Weston Road? (5) What is the cost of the Weston Road widening? [Tabled May 5, 1982].

Hon. Mr. Snow: (1) Total land acquisition cost of the Highway 400 extension to Eglinton Avenue, \$2,468,131.49; (2) total construction cost of the Highway 400 extension to Eglinton Avenue, \$13,834,230.47; (3) total land acquisition cost of Highway 400 from Eglinton Avenue to Weston Road, \$559,893.70; (4) total construction cost of Highway 400 from Eglinton Avenue to Weston Road, \$5,287,500; (5) cost of Weston Road widening (construction and land acquisition), \$8,981,867.

These figures represent land acquisition costs to date, as some property settlements are still outstanding.

NANTICOKE ENVIRONMENTAL
MONITORING PROGRAM

149. Mr. G. I. Miller: Would the Minister of

the Environment provide information, data and interpretation of information gathered for the years 1980 and 1981 from the Nanticoke environmental monitoring program (NEMP)? [Tabled May 14, 1982].

See sessional paper 124.

EXECUTIVE COUNCIL MOVING COSTS

154. Mr. Wrye: Would the ministry advise the House what were the total costs involved in office moves resulting from the recent expansion of the executive council? [Tabled May 18, 1982].

Hon. Mr. Wiseman: The total moving costs were \$6,670.

CONSTITUTION MEDALLIONS

165. Mr. Boudria: What is the cost of the "We're Proud To Be Canadian" medallions commemorating the proclamation of the Constitution Act on April 17, 1982? Were they manufactured in Canada, and if so, by whom? If not, what was the Canadian content? Who was responsible for the translation of the French-language medallions and how much did the error cost? [Tabled May 18, 1982].

Hon. Mr. Wells: 1. The total cost of the "We're Proud To Be Canadian" medallions commemorating the proclamation of the Constitution Act was \$10,740.

2. The Viceroy Mint Ltd. of Willowdale, Ontario, was commissioned to produce medallions for the Ontario government to commemorate the proclamation of the Constitution Act, 1982, on April 17. The mint designed and created the dies. The actual striking was done by the Metal Arts Co. of Rochester, NY, using Canadian cupro-nickel and silver coin blanks. Striking equipment was not immediately available in Canada to produce the medallions within our time constraint. The cost of the striking operation, on an automatic coining press used in this instance, represents approximately 10 per cent of the total cost.

3. Translation for the French issue of the medallion was taken from the official program for the ceremony in Ottawa—"Proclamation de la loi constitutionnelle de 1982." The error on the medallion, "le 1982," was made in the typesetting stage and was missed during the final proofing. No additional cost was incurred due to this error.

CIVIL SERVICE COMPLEMENT

166. Mr. Di Santo: Will the Ministry of

Government Services table the following Information: (1) How many permanent positions in the civil service have been eliminated in the years 1979, 1980 and 1981? (2) How many temporary positions, once the contract expired, have not been replaced in 1979, 1980 and 1981? (3) How many jobs have been contracted out in 1979, 1980 and 1981? (4) What amount of money has been paid to contractors for jobs previously done by government employees (maintenance, clerical, etc.)? [Tabled May 18, 1982].

Hon. Mr. Wiseman: Changes in staff strength for the year ended March 31 were as follows:

Questions 1 and 2:

	Classified	Unclassified
1979	Decrease 75	Decrease 91
1980	Decrease 74	Increase 35
1981	Decrease 101	Increase 5

Question 3, Unclassified contracts issued: year ended March 31, 1979, 452; year ended March 31, 1980, 504; year ended March 31, 1981, 452.

Question 4: The ministry does not have the records of the staff employed by contractors to carry out the contracted work.

REPORT TO MEMBER

167. Mr. Di Santo: Will the Solicitor General table the "extensive report" to which he refers in his letter of May 4, 1982, addressed to me? [Tabled May 18, 1982].

Hon. G. W. Taylor: I have reviewed letters prepared by the former chief coroner, Dr. H. B. Cotnam, and the coroner, Dr. M. Naiberg, which summarize the extensive investigation of the Paul case and are the basis for the decision reiterated in my letter of May 4.

Since the information provided by Dr. Cotnam and Dr. Naiberg relates to private matters involving Mr. and Mrs. Paul and their solicitor, I feel it would be inappropriate for me to table it in the Legislature. However, I would be pleased to share it with Mr. Di Santo on a confidential basis.

AIR CONTAMINANTS

168. Mr. Kerrio: Would the Minister of Consumer and Commercial Relations explain explicitly the role of the fuels safety branch in determining combustion efficiency, optimizing combustion efficiency, and reducing the quantity and concentration of gases and particulate matter from entering the atmosphere? [Tabled May 19, 1982].

Hon. Mr. Elgie: The mandate of the fuels

safety branch is primarily related to the safety of installed appliances and equipment regulated under the Energy Act.

In accordance with the gas, propane and fuel oil regulations, appliances require approval. The organizations designated to perform such work must test and inspect to authorized standards. The Standards Council of Canada accredits certain standards writing organizations and promotes voluntary standardization in Canada. Members of my staff at the fuels safety branch assist in the technical standards development of nationally adopted standards.

In Ontario, an approved appliance which bears the label of a certifying agency has passed testing procedures that determine the combustion efficiency of the appliance. These tests ensure that minimum standards are met with respect to gaseous emissions such as carbon dioxide and carbon monoxide. In the case of oil-fired appliances, additional tests are done to ensure operation with a minimum discharge of particulate matter.

The branch administers a certification program for the individuals who install and adjust these appliances. These certificate holders are authorized to perform combustion efficiency tests in the field, including smoke tests in the case of fuel oil-fired appliances.

Branch staff do audit field inspections which focus on the registered contractor in order to enforce the requirements under the act relative to the fulfilment of contractual responsibilities.

169. Mr. Kerrio: Would the Minister of the Environment explain explicitly the role of the ministry in determining combustion efficiency, optimizing combustion efficiency, and reducing the quantity and concentrations of gases and particulate matter from entering the atmosphere? [Tabled May 19, 1982].

Hon. Mr. Norton: In improving and maintaining desirable ambient air quality in Ontario, the ministry determines source emission limits for all air contaminants, designed so that if all sources stay within these emission limits, the ambient air criteria will, in general, be satisfied. The source emission limits are enforced in two principal ways: through requiring a certificate of approval prior to construction of a new source or prior to the alteration of an existing source, and through the examination of existing sources for compliance, coupled with a requirement for additional control where sources do not comply with the emission limits.

Both of these functions, approvals and abatement, are essentially engineering activities, and during discussions with the source owner or his representative, ministry officials go over the suggested and alternative approaches to air emission control of the specific source, pointing out, where applicable, advantages and disadvantages of each control option in respect to probable control efficiency, energy efficiency and control costs, where known. It is then up to the source owner to select the control option best suited to his needs, subject only to meeting the source emission limitations. The owner may choose a control approach which provides a cost saving, a greater degree of collection control, and/or an energy saving.

170. Mr. Kerrio: Would the Minister of Energy explain explicitly the role of the ministry in determining combustion efficiency, optimizing combustion efficiency, and reducing the quantity and concentrations of gases and particulate matter from entering the atmosphere? [Tabled May 19, 1982].

Hon. Mr. Welch: The Ministry of Energy is very much interested in the measurement and improvement of combustion efficiencies of boilers and furnaces.

For a number of years, the ministry has been financially assisting a government energy management program which is aimed at reducing energy consumption by Ontario government-owned buildings, and a municipal energy management program which is aimed at municipal buildings. Both these programs encourage the determination of combustion efficiencies and making recommendations for improvement.

The ministry is encouraging the conversion of residential and commercial building furnaces from oil to gas. The ministry also has an ongoing program with the Canadian Gas Research Institute for the development and evaluation of high efficiency gas furnaces, which will reduce gas consumption.

The ministry also provides financial assistance for the Energy Bus which is operated and promoted by the Ministry of Industry and Trade. This bus visits industrial plants on a request basis, and it has equipment to measure the combustion efficiency of industrial boilers. Where efficiencies are lower than optimum, recommendations for improvements are made.

The ministry policy is to recommend that all sectors optimize the efficiency of their combustion equipment as this serves to reduce energy

consumption as well as reducing emissions of pollutants to the atmosphere.

PREPARATION OF BUDGET

181. Mr. T. P. Reid: Would the Treasurer supply the following information:

1. On what date was the first copy of the 1982 Ontario budget sent to the printer?

2. Were any changes made on the first proof of the 1982 Ontario budget received from the printer? If so, were the changes anything other than grammatical or spelling corrections?

3. If changes were made to the first proof of the 1982 Ontario budget received from the printer, other than grammatical or spelling corrections, to what section of the text do they pertain, and what are the details of the changes?

4. How many times and when were the proofs of the 1982 Ontario budget returned to the printer with amendments?

5. For each time that proofs of the 1982 Ontario budget were returned to the printer with amendments, what changes were made? [Tabled May 21, 1982].

Hon. F. S. Miller: The development of a budget is a complex undertaking which always includes numerous revisions as economic circumstances change. The specific details of the work leading up to the budget and the various options considered have always been a matter of confidentiality in the parliamentary system.

INTERIM ANSWERS

148. Mr. Charlton: Hon. Mr. Welch—The answer will be available mid-October 1982.

152, 153, 156, 177 to 179. Mr. Wrye: Hon. F. S. Miller—The answers to these questions will be available approximately June 30, 1982.

155. Mr. Wrye: Hon. Mr. McCague—The information requested regarding "who else within the government received more than one salary

from the Treasury of Ontario" will require additional time to prepare. A response is expected on or about June 30, 1982.

157. Mr. Wrye: Hon. Mr. Davis—All invoices for this trip have not yet been received, therefore total cost not yet available. Approximate date information available mid-June.

158 and 159. Mr. Boudria: Hon. Mr. Wells—The ministry is still in the process of compiling the information for the responses to these questions and cannot meet the June 1, 1982, tabling deadline. The information will be available approximately June 30, 1982.

162 to 164, 180. Mr. Boudria: Hon. Mr. Snow—The ministry will require additional time to respond to the above questions. The answers will be available approximately June 30, 1982.

173. Mr. Breagh: Hon. Mr. Walker—It will take additional time to retrieve information on the question. The answer will be available on or about October 15, 1982.

174. Mr. Breagh: Hon. Mr. Wells—The ministry is still in the process of compiling the information for the response to this question and cannot meet the June 3, 1982, deadline. The information will be available approximately June 30, 1982.

175. Mr. Breagh: Hon. Mr. Davis—The response to the above-mentioned question will be forthcoming on or about October 15, 1982.

176. Mr. Breagh: Hon. Mr. Elgie—The response to this question will require additional time in order to provide a detailed and appropriate reply. It is anticipated that a response will be tabled in mid-October.

182. Mr. Grande: Hon. Miss Stephenson—We require additional time to prepare our response to the above question. The answer will be ready for tabling on or about June 30.

APPENDIX B

ALPHABETICAL LIST OF MEMBERS*

(124 members)

Second Session of the 32nd Parliament

Lieutenant Governor: Hon. J. B. Aird, OC, QC**Speaker: Hon. John M. Turner****Clerk of the House: Roderick Lewis, QC**

Andrewes, P. W. (Lincoln PC)

Ashe, Hon. G. L., Minister of Revenue (Durham West PC)**Baetz, Hon. R. C.**, Minister of Tourism and Recreation (Ottawa West PC)

Barlow, W. W. (Cambridge PC)

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)**Bernier, Hon. L.**, Minister of Northern Affairs (Kenora PC)**Birch, Hon. M.**, Provincial Secretary for Social Development (Scarborough East PC)

Boudria, D. (Prescott-Russell L)

Bradley, J. J. (St. Catharines L)

Brandt, A. S. (Sarnia PC)

Breaugh, M. J. (Oshawa NDP)

Breithaupt, J. R. (Kitchener L)

Bryden, M. H. (Beaches-Woodbine NDP)

Cassidy, M. (Ottawa Centre NDP)

Charlton, B. A. (Hamilton Mountain NDP)

Conway, S. G. (Renfrew North L)

Cooke, D. S. (Windsor-Riverside NDP)

Copps, S. M. (Hamilton Centre L)

Cousens, D., Deputy Chairman of Committees of the Whole House (York Centre PC)

Cunningham, E. G. (Wentworth North L)

Cureatz, S. L., Deputy Speaker and Chairman of Committees of the Whole House (Durham East PC)

Davis, Hon. W. G., Premier (Brampton PC)

Dean, G. H. (Wentworth PC)

Di Santo, O. (Downsview NDP)

Drea, Hon. F., Minister of Community and Social Services (Scarborough Centre PC)

Eakins, J. F. (Victoria-Haliburton L)

Eaton, Hon. R. G., Minister without Portfolio (Middlesex PC)

Edighoffer, H. A. (Perth L)

Elgie, Hon. R. G., Minister of Consumer and Commercial Relations (York East PC)

Elston, M. J. (Huron-Bruce L)

Epp, H. A. (Waterloo North L)

Eves, E. L. (Parry Sound PC)

Fish, S. A. (St. George PC)

Foulds, J. F. (Port Arthur NDP)

Gillies, P. A. (Brantford PC)

Gordon, J. K. (Sudbury PC)

Grande, T. (Oakwood NDP)

Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)**Grossman, Hon. L. S.**, Minister of Health (St. Andrew-St. Patrick PC)

Haggerty, R. (Erie L)

Harris, M. D. (Nipissing PC)

Havrot, E. M. (Timiskaming PC)

Henderson, Hon. L. C., Provincial Secretary for Resources Development (Lambton PC)

Hennessy, M. (Fort William PC)

Hodgson, W. (York North PC)

Johnson, J. M. (Wellington-Dufferin-Peel PC)

Johnston, R. F. (Scarborough West NDP)

Jones, T. (Mississauga North PC)

Kells, M. C. (Humber PC)

Kennedy, R. D. (Mississauga South PC)

Kerr, G. A. (Burlington South PC)

Kerrio, V. G. (Niagara Falls L)

Kolyn, A. (Lakeshore PC)

Lane, J. G. (Algoma-Manitoulin PC)

Laughren, F. (Nickel Belt NDP)

Leluk, Hon. N. G., Minister of Correctional Services (York West PC)

Lupusella, A. (Dovercourt NDP)

MacDonald, D. C. (York South NDP)

Mackenzie, R. W. (Hamilton East NDP)

MacQuarrie, R. W. (Carleton East PC)

Mancini, R. (Essex South L)

Martel, E. W. (Sudbury East NDP)

McCaffrey, Hon. R. B., Minister of Citizenship and Culture (Armourdale PC)**McCague, Hon. G. R.**, Chairman, Management Board of Cabinet (Dufferin-Simcoe PC)

McClellan, R. A. (Bellwoods NDP)

McEwen, J. E. (Frontenac-Addington L)

McGuigan, J. F. (Kent-Elgin L)

McKessock, R. (Grey L)

McLean, A. K. (Simcoe East PC)

McMurtry, Hon. R. R., Attorney General (Eglinton PC)

McNeil, R. K. (Elgin PC)

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)

Miller, G. I. (Haldimand-Norfolk L)

Mitchell, R. C. (Carleton PC)

Newman, B. (Windsor-Walkerville L)

Nixon, R. F. (Brant-Oxford-Norfolk L)

Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)

O'Neil, H. P. (Quinte L)

Peterson, D. R. (London Centre L)

Philip, E. T. (Etobicoke NDP)

Piché, R. L. (Cochrane North PC)

Pollock, J. (Hastings-Peterborough PC)

Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)

Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)

Reed, J. A. (Halton-Burlington L)

Reid, T. P. (Rainy River L-Lab.)

Renwick, J. A. (Riverdale NDP)

Riddell, J. K. (Huron-Middlesex L)

Robinson, A. M. (Scarborough-Ellesmere PC)

Rotenberg, D. (Wilson Heights PC)

Roy, A. J. (Ottawa East L)

Runciman, R. W. (Leeds PC)

Ruprecht, T. (Parkdale L)

Ruston, R. F. (Essex North L)

Samis, G. R. (Cornwall NDP)

Sargent, E. C. (Grey-Bruce L)

Scrivener, M. (St. David PC)

Sheppard, H. N. (Northumberland PC)

Shymko, Y. R. (High Park-Swansea PC)

Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)

Spensieri, M. A. (Yorkview L)

Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)

Sterling, Hon. N. W., Provincial Secretary for Justice (Carleton-Grenville PC)

Stevenson, K. R. (Durham-York PC)

Stokes, J. E. (Lake Nipigon NDP)

Swart, M. L. (Welland-Thorold NDP)

Sweeney, J. (Kitchener-Wilmot L)

Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)

Taylor, J. A. (Prince Edward-Lennox PC)

Timbrell, Hon. D. R., Minister of Agriculture and Food (Don Mills PC)

Treleven, R. L. (Oxford PC)

Turner, Hon. J. M., Speaker (Peterborough PC)

Van Horne, R. G. (London North L)

Villeneuve, O. F. (Stormont, Dundas and Glengarry PC)

Walker, Hon. G. W., Minister of Industry and Trade (London South PC)

Watson, A. N. (Chatham-Kent PC)

Welch, Hon. R. S., Minister of Energy (Brock PC)

Wells, Hon. T. L., Minister of Intergovernmental Affairs (Scarborough North PC)

Wildman, B. (Algoma NDP)

Williams, J. R. (Orillia PC)

Wiseman, Hon. D. J., Minister of Government Services (Lanark PC)

Worton, H. (Wellington South L)

Wrye, W. M. (Windsor-Sandwich L)

Yakabuski, P. J. (Renfrew South PC)

MEMBERS OF THE EXECUTIVE COUNCIL

Davis, Hon. W. G., Premier and President of the Council

Welch, Hon. R. S., Minister of Energy and Deputy Premier

Wells, Hon. T. L., Minister of Intergovernmental Affairs

Bernier, Hon. L., Minister of Northern Affairs

Snow, Hon. J. W., Minister of Transportation and Communications

Birch, Hon. M., Provincial Secretary for Social Development

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics

Timbrell, Hon. D. R., Minister of Agriculture and Food

Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities

McMurtry, Hon. R. R., Attorney General

Henderson, Hon. L. C., Provincial Secretary for Resources Development

Norton, Hon. K. C., Minister of the Environment

Drea, Hon. F., Minister of Community and Social Services

Grossman, Hon. L., Minister of Health

McCague, Hon. G., Chairman of Management Board of Cabinet and Chairman of Cabinet

Baetz, Hon. R. C., Minister of Tourism and Recreation

Wiseman, Hon. D. J., Minister of Government Services

Elgie, Hon. R. G., Minister of Consumer and Commercial Relations
 Walker, Hon. G. W., Minister of Industry and Trade
 Gregory, Hon. M. E. C., Minister without Portfolio
 Pope, Hon. A. W., Minister of Natural Resources
 Leluk, Hon. N. G., Minister of Correctional Services
 Ashe, Hon. G. L., Minister of Revenue
 Ramsay, Hon. R. H., Minister of Labour
 McCaffrey, Hon. R. B., Minister of Citizenship and Culture
 Sterling, Hon. N. W., Provincial Secretary for Justice
 Taylor, Hon. G. W., Solicitor General
 Eaton, Hon. R. G., Minister without Portfolio

PARLIAMENTARY ASSISTANTS

Andrewes, P. W. (Lincoln), assistant to the Minister of Energy
 Brandt, A. S. (Sarnia), assistant to the Minister of Labour
 Dean, G. H. (Wentworth), assistant to the Minister of Education and the Minister of Colleges and Universities
 Fish, S. A. (St. George), assistant to the Minister of Citizenship and Culture
 Gillies, P. A. (Brantford), assistant to the Provincial Secretary for Social Development
 Gordon, J. K. (Sudbury), assistant to the Minister of Health
 Hennessy, M. (Fort William), assistant to the Minister of Northern Affairs
 Hodgson, W. (York North), assistant to the Minister of Government Services
 Jones, T. (Mississauga North), assistant to the Treasurer of Ontario and Minister of Economics
 Kennedy, R. D. (Mississauga South), assistant to the Minister of Intergovernmental Affairs
 Lane, J. G. (Algoma-Manitoulin), assistant to the Minister of Industry and Trade
 MacQuarrie, R. W. (Carleton East), assistant to the Solicitor General
 McNeil, R. K. (Elgin), assistant to the Minister of Agriculture and Food
 Mitchell, R. C. (Carleton), assistant to the Minister of Consumer and Commercial Relations
 Rotenberg, D. (Wilson Heights), assistant to the Minister of Municipal Affairs and Housing
 Stevenson, K. R. (Durham-York), assistant to the Minister of the Environment

Watson, A. N. (Chatham-Kent), assistant to the Minister of Community and Social Services
 Williams, J. R. (Orile), assistant to the Minister of Revenue
 Yakabuski, P. J. (Renfrew South), assistant to the Minister of Natural Resources

STANDING COMMITTEES

Administration of justice: chairman, Mr. Treleaven; members, Messrs. Brandt, Breithaupt, Elston, Eves, MacQuarrie, McLean, Mitchell, Renwick, Spensieri, Stevenson and Swart; clerk, D. Arnott.

General government: chairman, Mr. Barlow; members, Messrs. Dean, Eakins, Gordon, Haggerty, Hennessy, J. M. Johnson, Lane, MacDonald, McKessock, Samis and J. A. Taylor; clerk, F. Nokes.

Resources development: chairman, Mr. Harris; members, Mr. Andrewes, Ms. Fish, Messrs. Kolyn, Laughren, McNeil, Reed, Riddell, Stokes, Sweeney, Villeneuve and Williams; clerk, A. Richardson.

Social development: chairman, Mr. Shymko; members, Messrs. Boudria, Cooke, Ms. Copps, Messrs. Gillies, R. F. Johnston, Kells, McGuigan, Pollock, Robinson, Sheppard and Watson; clerk, G. White.

Members' services: chairman, Mr. Robinson; members, Messrs. Grande, Havrot, Hodgson, Jones, Mackenzie, G. I. Miller, Piché, Rotenberg, Runciman, Ruprecht and Wrye; clerk, A. Richardson.

Procedural affairs: chairman, Mr. Kerr; members, Messrs. Breaugh, Charlton, Edighoffer, Epp, J. M. Johnson, Lane, Mancini, Piché, Rotenberg, Treleaven and Watson; clerk, S. Forsyth.

Public accounts: chairman, Mr. T. P. Reid; members, Messrs. Bradley, Cunningham, Havrot, Kennedy, Kolyn, Philip, Sargent, Mrs. Scrivener, Messrs. J. A. Taylor, Wildman and Yakabuski; clerk, G. White.

Regulations and other statutory instruments: chairman, Mr. Eves; members, Mr. Barlow, Ms. Bryden, Messrs. DiSanto, Gordon, Hennessy, Hodgson, Jones, Kerrio, McEwen, Runciman and Van Horne; clerk, D. Arnott.

SELECT COMMITTEES

Ombudsman: chairman, Mr. Runciman; members, Messrs. Boudria, Cooke, Gordon, MacQuarrie, G. I. Miller, Mitchell, Philip, Piché,

Shymko, Treleaven and Van Horne; clerk, G. White.

Pensions: chairman, Mr. J. A. Taylor; members, Messrs. Brandt, Cousens, Cureatz, Gillies, Haggerty, Jones, Mackenzie, McClellan, Riddell,

Van Horne and Williams; clerk, G. White.

*The lists in this appendix, brought up to date as necessary, are published in Hansard on the first Friday of each month and in the first and last issues of each session.

CONTENTS

Friday, June 4, 1982

Statement by the ministry

Bernier, Hon. L., Minister of Northern Affairs:	
Northern cable TV servicing.	2345

Oral questions

Birch, Hon. M., Provincial Secretary for Social Development:	
Youth employment, Mr. Conway, Mr. Sweeney.	2349
Drea, Hon. F., Minister of Community and Social Services:	
Surrogate motherhood, Mr. Conway, Mr. R. F. Johnston.	2346
Grossman, Hon. L. S., Minister of Health:	
Nursing home care, Mr. Cooke.	2354
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Unemployment, Mr. Foulds, Mr. Sweeney, Mr. Cooke.	2351
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
Funding for education, Mr. Foulds.	2353
Taylor, Hon. G. W., Solicitor General:	
OPP services, Mr. Wildman, Mr. Martel.	2355

Petition

Annual Report, Education Relations Commission, Mr. McClellan, tabled.	2358
---	------

Motion

Standing committee on social development, Mr. Gregory, agreed to.	2358
---	------

First readings

Workmen's Compensation Amendment Act, Bill 136, Mr. Laughren, agreed to.	2358
Degree Granting Act, Bill 137, Miss Stephenson, agreed to.	2358
Co-operators Insurance Association Act, Bill Pr26, Mr. Lane, agreed to.	2359

Committee of supply

Estimates, Ministry of Northern Affairs, Mr. Bernier, adjourned.	2365
--	------

Third readings

District Municipality of Muskoka Act, Bill 9, Mr. Bennett, agreed to.	2359
City of Toronto Act, Bill Pr3, Ms. Fish, agreed to.	2359
City of Mississauga Act, Bill Pr7, Mr. Kennedy, agreed to.	2359

Government motion

Workers' compensation, Mr. Gregory, agreed to.	2359
--	------

Other business

Municipality of Metropolitan Toronto bill , Mr. Grande, Miss Stephenson, Mr. Foulds . .	2345
Use of time in question period , Mr. Wrye, Mr. Di Santo, Mr. Martel.	2357
Visitors , Mr. Walker.	2361
Adjournment	2375

Appendix A

Answers to questions on Notice Paper

Drea, Hon. F., Minister of Community and Social Services:	
White Oaks Children's Centre , question 106, Mr. Boudria.	2376
Elgie, Hon. R. G., Minister of Consumer and Commercial Relations:	
Air contaminants , question 168, Mr. Kerrio.	2377
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Preparation of budget , question 181, Mr. T. P. Reid.	2379
Norton, Hon. K. C., Minister of the Environment:	
Nanticoke environmental monitoring program , question 149, Mr. G. I. Miller.	2376
Air contaminants , question 169, Mr. Kerrio.	2378
Snow, Hon. J. W., Minister of Transportation and Communications:	
Highway construction costs , question 129, Mr. Cunningham.	2376
Taylor, Hon. G. W., Solicitor General:	
Report to member , question 167, Mr. Di Santo.	2377
Walker, Hon. G. W., Minister of Industry and Trade:	
ODC annual report , question 93, Mr. Boudria.	2376
Wiseman, Hon. D. J., Minister of Government Services:	
Executive council moving costs , question 154, Mr. Wrye.	2377
Civil service complement , question 166, Mr. Di Santo.	2377
Welch, Hon. R. S., Minister of Energy:	
Air contaminants , question 170, Mr. Kerrio.	2378
Wells, Hon. T. L., Minister of Intergovernmental Affairs:	
Constitution medallions , question 165, Mr. Boudria.	2377
Interim answers , questions 148, 152, 153, 155 to 159, 162 to 164, 173 to 180, 182. . . .	2379

Appendix B

Alphabetical list of members of the Legislature of Ontario, members of the executive council, parliamentary assistants and members of committees.	2380
---	------

SPEAKERS IN THIS ISSUE

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)
Bernier, Hon. L., Minister of Northern Affairs (Kenora PC)
Birch, Hon. M., Provincial Secretary for Social Development (Scarborough East PC)
Boudria, D. (Prescott-Russell L)
Breithaupt, J. R. (Kitchener L)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. G. (Renfrew North L)
Cooke, D. S. (Windsor-Riverside NDP)
Copp, S. M. (Hamilton Centre L)
Cousens, D., Acting Speaker and Deputy Chairman (York Centre PC)
Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
Di Santo, O. (Downsview NDP)
Drea, Hon. F., Minister of Community and Social Services (Scarborough Centre PC)
Foulds, J. F. (Port Arthur NDP)
Grande, T. (Oakwood NDP)
Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. G. (Niagara Falls L)
Kolyn, A. (Lakeshore PC)
Laughren, F. (Nickel Belt NDP)
MacDonald, D. C. (York South NDP)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Ruston, R. F. (Essex North L)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Sweeney, J. (Kitchener-Wilmot L)
Van Horne, R. G. (London North L)
Walker, Hon. G. W., Minister of Industry and Trade (London South PC)
Wrye, W. M. (Windsor-Sandwich L)



Ontario LEGISLATIVE ASSEMBLY

No. 67

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Monday, June 7, 1982

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, June 7, 1982

The House met at 2 p.m.

Prayers.

PREPARATION OF BUDGET

Mr. T. P. Reid: Mr. Speaker, I rise on a point of order to ask your direction.

On May 21, 1982, I put a question on the Order Paper, directed to the Treasurer (Mr. F. S. Miller), asking if he would provide information as to any changes that had been made in the budget once it had been sent to the Queen's Printer, as follows:

"1. On what date was the first copy of the 1982 Ontario budget sent to the printer?

"2. Were any changes made on the first proof of the 1982 Ontario budget received from the printer and, if so, were the changes anything other than grammatical or spelling corrections?"

"3. If changes were made to the first proof of the 1982 Ontario budget received from the printer, to what sections of the text do they pertain, and what are the details of the changes?"

"4. How many times and when were the proofs of the 1982 Ontario budget returned to the printer with amendments?" and so on.

What I was trying to ascertain, obviously, was whether there had been substantive changes in the budget. I received a response on May 31, 1982. Actually, I got this only last week. The response was:

"The development of a budget is a complex undertaking which always includes numerous revisions as economic circumstances change. The specific details of the work leading up to the budget and the various options considered have always been a matter of confidentiality in the parliamentary system." It is signed by Tom Campbell, deputy minister.

My point is that the deputy minister is getting to be exactly like the Treasurer in that he did not answer the question asked. Since the Treasurer has declined to answer in the House and the Deputy Treasurer has given an answer to a question not asked, what recourse do I have as a member of this assembly to find out exactly what did happen to the budget and whether some substantive changes were made? How do we find out whether the confidentiality of the budget was maintained and whether the process is a valid one?

Mr. Speaker: I am not sure that is a point of order. In answer to your specific question, which I am not sure I should even answer, I suppose your only recourse is to the Treasurer himself or to other members of the government.

Mr. T. P. Reid: If they refuse to answer, we have no recourse.

Mr. Speaker: Be persistent.

Mr. T. P. Reid: I have been waiting 15 years.

FACILITIES FOR METRO VIGIL

Mr. R. F. Johnston: Mr. Speaker, on a point of privilege: About six weeks ago I was approached by members of the Social Planning Council of Metropolitan Toronto on behalf of the council and a group of clergy who wanted to come to the Legislature for a 24-hour vigil from June 8 to 9 to make a statement about the prospects of people in poverty in this province at this time and about their concern over the level of social assistance for those people.

I called the appropriate office in the Legislature that day about six weeks ago and started the wheels turning to see whether we could get permission for them to have a tent in which people could stay overnight because it would be a 24-hour vigil and to see whether they could have portable toilets on the grounds so they would be able to stay comfortably over that period of time.

There are some 70 clergy who have said they wish to participate in this. It is an ecumenical group of almost every faith in Toronto wishing to participate.

It is my understanding that it was only on Friday they finally received word from the minister that they would not be able to have either a tent or the toilet facilities on the grounds. It seems to me that, since I made the application that long ago, it would have been only appropriate that they would have had word earlier than this so they could accommodate the many older members of the clergy who wish to participate in this vigil.

I am quite concerned that this took so long. It just came to my attention this morning that they had been effectively turned down for the facilities they thought they needed to conduct this vigil in a proper fashion.

Hon. Mr. Wiseman: Mr. Speaker, I would like to answer that. When I spoke to the honourable member, I told him I first heard about this on Friday. I checked with my executive director, and they have been working quite diligently for the past three weeks with the lady who is heading this up, trying to find a way to use the Johnny-on-the-Spot facilities that were used by the contractors who were out front. We were not able to arrange that.

The member should be aware that before I was the minister in charge, they had allowed Johnny-on-the-Spots only to find there was a real problem in moving them afterwards. With the capacity they had in them, they broke open and caused a lot of leakage. It is not as easy as it might look.

We also had a lot of complaints during the time the heat people were going across University Avenue and across our property, not only from the members and the people who use this building but also from the general public. They asked what we were doing at Queen's Park. Perhaps we should have let the press know a little more about what we were doing. Perhaps the press should have asked us some questions so we could let the public know this was not going to be a mess too long. I think they have done a good job of cleaning it up, and I am only sorry we are not able to accommodate the people at this time.

2:10 p.m.

I should say too that last week we had two or three requests, all towards the end of the week, for people to use the building in that way or in other ways, whether it is to have a big balloon flying over the building for the weekend or whatever. But we have had trouble with these Johnny-on-the-Spots, and it is not as simple as one would think.

APPOINTMENT TO BOARD OF INTERNAL ECONOMY

Mr. Speaker: I have a copy of an order in council of which I should advise all honourable members:

"On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the executive council, orders that whereas the Legislative Assembly Act, section 84, order in council 1225/81 and order in council 835/82 provide for the composition of the Board of Internal Economy, during the absence of the Honourable Thomas Leonard Wells due to illness, the Honourable Robert S. Welch be appointed a commissioner on the

Board of Internal Economy, appointed by the Lieutenant Governor in Council from among the members of the executive council. This appointment is to be effective from the date of this order in council until the Honourable Thomas Leonard Wells returns to his ministerial duties."

It is signed by the appropriate persons and dated May 28, 1982.

VISITOR

Mr. Speaker: I ask all honourable members of the assembly to join with me in recognizing and welcoming in the Speaker's gallery Mr. Christian Hayaux Dutilly, the mayor of Bernières-sur-Mer, France. Mr. Dutilly is visiting Toronto for the D-Day celebrations, which were held by the Queen's Own Rifles, Royal Canadian Legion 344.

WITHDRAWAL OF UNPARLIAMENTARY LANGUAGE

Mr. Nixon: I rise on a point of order, Mr. Speaker, just before you go into question period. I see the member for Oakwood (Mr. Grande) has resumed his seat; I understand you dismissed him from the House for using unparliamentary language, and I am not aware that he has withdrawn that language.

I know I do not speak for everyone in the House, but I must express my own concern that it is not sufficient for an honourable member to be dismissed from the House for a few hours or a few minutes when that member calls another member a liar, or words to that effect.

We have had this argument in the past, and I feel very strongly that a member should not resume his or her seat until the offending words are withdrawn. I do not believe there should be any exceptions to that.

Mr. Martel: Mr. Speaker, if I might, there is a precedent in this House. As a recipient of the former Speaker's generosity, I was shown the door on one occasion and, after having served my time, the former Speaker, the member for Lake Nipigon (Mr. Stokes), allowed me to re-enter the Legislature. Unless there is some other—

Hon. Mr. Eaton: One mistake does not make it right.

Mr. Martel: Is the member suggesting the former Speaker ruled wrongly? Maybe he can find for me somewhere in the rules where it says he ruled improperly.

Hon. Mr. Eaton: Letting you back in was a mistake.

Mr. Speaker: Order.

Mr. Martel: The precedent is that, having been turfed out, a member is allowed to resume his seat on the next sitting day, and I ask the Speaker to take that into consideration.

Mr. Grande: Mr. Speaker, in view of the fact that the House leader for the Liberal Party has decided to raise the point, let me just say at this time that it is clear the Minister of Education (Miss Stephenson) does not understand the content of the bill, and I wish to withdraw the unparliamentary remark.

Mr. Nixon: May I just have further clarification? The House leader of the New Democratic Party indicated that he was able to call somebody a liar and return to the House without withdrawing. On the only occasion I recall that happening, he did withdraw. There might have been another one. But just so that we know the facts, Mr. Speaker, I wonder whether you might pursue this with your officials so that we would know what the precedents are. As long as I am a member, I intend to raise it on each and every occasion this matter occurs, and I certainly appreciate your co-operation in this regard.

Mr. Speaker: I will hear from the member for Sudbury East, but I think he should be the last speaker, because it is developing into a debate.

Mr. Martel: Mr. Speaker, I am sure the member for Brant-Oxford-Norfolk (Mr. Nixon) and sundry other places recalls the occasion as vividly as I do. In fact, it was he against whom I made the accusation, and it was only after the Speaker allowed me back into the House that I was prepared to withdraw that unparliamentary—

Mr. Kerrio: The same thing happened here today.

Mr. Martel: I might say that my opinion has not changed with respect to the circumstances on that day. It is just that—

Mr. Nixon: Maybe you would like to go out again.

Mr. Martel: Maybe I would. Give me the occasion.

Mr. Nixon: And the record will show you withdrew.

Mr. Speaker: I indicated that would be the last person I would hear. The member for York South with a point of privilege.

Mr. MacDonald: I am curious to know why, when I stood, and you knew I was standing, you

indicated that you were going to take only one more speaker on that point of order.

Mr. Speaker: I recognized the member for Sudbury East because, in my opinion, he had stood first.

Mr. MacDonald: Okay. You are in the chair.
[Later]

Mr. Speaker: I would just like, if I might, to take a few seconds of time to make some comments on the point of order that was raised by the member for Brant-Oxford-Norfolk.

I do regard it as a very serious matter when one member accuses another member of lying. I think the standing orders are quiet on this as to the exact action to be taken, other than naming the member. However, I point out to all honourable members that when a member is named by the Speaker, and I am referring to standing order 20(b), "if the offence is a minor one, the Speaker may order the member to withdraw for the balance of the day's sittings; but if the matter appears to the Speaker to be of a more serious nature, he shall put the question on motion being made..." Quite obviously, there is a procedure in the standing orders to cover such an incident if any members were desirous of doing so.

Mr. Van Horne: Mr. Speaker, on a point of order: Given that is the case, perhaps the Speaker would choose to give us an indication of what might be considered more serious and less serious. I say that not in jest but in all sincerity.

Mr. Speaker: I think that is really a matter for the House to decide. I was just expressing a personal opinion that all members are regarded as honourable members and that I think the title "honourable" is not to be taken lightly. In fact, it indicates that all members, being honourable, would not lie or would not mislead anybody.

If we are not going to respect that action, or indeed that title, then I think it is a very serious matter. In my opinion that is a serious matter.

Mr. MacDonald: Now that you have raised this matter again, Mr. Speaker, may I be permitted to make my point of order?

If you are looking into this issue, I wish to suggest that while it may be important to look at the superficial technicality of the rules of this very elite club which say you cannot say that a person is lying, it is equally important that you take a look at establishing some mechanism to establish where the truth lies?

I was thrown out of this House some three or four years ago; indeed, the Speaker imposed it.

Some hon. members: Hurray!

Mr. Speaker: Order.

Mr. MacDonald: I will be around here when most of the members over there are gone.

I was thrown out, may I remind you, Mr. Speaker, because I said if the Minister of Agriculture and Food continued to repeat a certain statement it would be tantamount to a lie. I did not say he was a liar; I said if he continued to repeat that statement, it would be tantamount to a lie. I was forced to withdraw. When the Minister of Agriculture and Food of the day, Bill Stewart, went out into the hall he confirmed that what he was saying was not accurate.

I suggest it is ludicrous that somebody could be thrown out of the House who does not even say that another member is a liar but that it would be tantamount to a lie if he continued to repeat a statement, when the minister within an hour confirms that what he was saying was not accurate.

If we want this House to retain its credibility, we cannot live on archaic rules that are elitist in their concept and say that one cannot use a certain phrase when we will not get to the reality of ascertaining the truth of what is before the House.

Mr. Nixon: Mr. Speaker, I am not at all sure that the member for York South (Mr. MacDonald) is making a valid point. The fact that the Speaker may have been in error when he either understood or misunderstood the words from the member is really neither here nor there. We are talking about a circumstance where a member deliberately called another member of this House a liar. I simply suggest to you, Mr. Speaker, that it would be difficult if not impossible for the other member, the wronged member if I may put it that way, to return to the House unless those words are retracted.

In the instance we dealt with today, the member is featured in headlines on the top of Federation Update as a hero. That is fine; if the teachers of the province think that is the way the business of the House should be conducted, that is their judgement. But I personally believe very strongly that what the member for York South has brought to our attention is past and gone and has nothing to do with a deliberate statement from one member that another is a liar.

I personally feel, and I agree with you in this, that it is a serious matter. If an honourable

member in the opposition or representing the government does not get to his feet and move that the member be punished somehow—frankly, that may be what is envisaged by the rules, Mr. Speaker—I feel that it is your responsibility not to allow a member to return to the House except for the purpose of withdrawal after a statement like that has been made.

For the member for York South it may be elitist. I do not believe that is so. The word has a clear meaning and it has a meaning that is unacceptable under the clearly understood rules of this House. I hope that never changes.

Mr. Speaker: Order. I think this is again developing into a debate.

Mr. MacDonald: May I clarify the misrepresentation of my position?

Mr. Speaker: I do not think there is any misrepresentation. I understood clearly what you were saying. You were saying that you were wrongly asked to retire.

Mr. MacDonald: No, Mr. Speaker. Let me clarify it for you as well as the honourable member. What I was saying was that it is equally important—forget my own instance and my case—to establish a mechanism that can establish the truth of whether a lie had been made rather than to deal with the superficiality, the technicality, of calling a person a liar and withdrawing it.

Mr. Nixon: Send it to the standing committee on procedural affairs.

Mr. Speaker: If I may deal with that just for the moment: With all respect, I think that is the duty of the House. I do not think that is the duty of the Speaker or any committee. All the honourable members have a responsibility to make that decision. It bothers me to hear the words you chose. This is not a club, elitist or otherwise, in any meaning of the word. We are dealing here with an institution that goes back many centuries, which is traditional and historical, and we all must pay proper respect to it if we are going to preserve it.

Mr. Martel: Different centuries have different rules on it.

Mr. Speaker: Perhaps. Anyway, getting back to the point that the member for Brant-Oxford-Norfolk raised, in the light of lack of direction under the standing orders, perhaps this is something the standing committee on procedural affairs would like to take under consideration at the earliest opportunity.

GOVERNMENT JET

Mr. Bradley: On a point of order, Mr. Speaker: I would like to bring to the attention of the House the comments of the Minister of Industry and Trade (Mr. Walker)—and it is unfortunate he is not here today—to the annual meeting of the London South Progressive Conservative Association. The minister was asked about the \$10.6-million expenditure on the Challenger luxury jet, and he is reported to have said he was not sure he could give a rational explanation for the jet.

Mr. Speaker: Order. Will you identify your point of order, please?

Mr. Bradley: Yes. I think you know that those of us on this side are a very understanding group of people, and I just want to indicate that the minister should know we would be happy to hear even the irrational explanation for this expenditure.

Mr. Speaker: Order. That is not a point of order, with all respect.

DEATH OF KIM ANNE POPEN

Mr. R. F. Johnston: Mr. Speaker, I rise on a point of order concerning ministerial statements. In August 1976, a young child named Kim Anne Popen died in Sarnia, a victim of child abuse. In July 1978, we established an inquiry under Judge Ward Allan. In January 1979, three and a half years ago, he started writing his report. In June 1980, he said he hoped to be finished in September of that year. In April 1981, he said it was near completion. Since April 1981, he has been working full time, relieved of all his duties on the bench. In September 1981, he said it would be finished in a matter of weeks. In February 1982, he said it would be over very soon.

On March 23, I wrote to the Attorney General (Mr. McMurtry) and asked him what he was going to do. He said the majority of the work report was in final form and the final chapters and recommendations were being drafted.

It is June 7, 1982, in case I need to remind anybody. The latest information I have is that the report may be finished by the end of July. We have had no statement by the minister. I believe he should make a statement to terminate this inquiry—

Mr. Speaker: Order.

Mr. R. F. Johnston: —and to take possession of all the matters that the judge still has in his hands.

Mr. Speaker: Order. With all respect, that is

not a legitimate point of order. I suggest the honourable member may ask the Attorney General at the appropriate time.

Mr. Foulds: If I might, on the point of order—

Mr. Speaker: That is not a point of order; so you cannot speak on it.

Mr. Foulds: Mr. Speaker, on a point of privilege: Historically, yesterday was the anniversary of D-Day. Even the conquering of Europe did not take as long as this inquiry.

2:20 p.m.

ORAL QUESTIONS

HYDRO BORROWING

Mr. Peterson: Mr. Speaker, I have a question for the Treasurer. The Treasurer no doubt will recall a statement of the former Treasurer, Darcy McKeough, when he gave a directive to Hydro in 1976. I want to recall the words of that directive: "In any event, the wisdom of creating a situation where, year to year, we must borrow to the limit of capacity without viable alternative sources of funds should be challenged. If we expand the electrical system in a manner which takes risks with our financial standing, we shall be contributing to inflation and we shall also be prejudicing our medium-term capacity to finance the levels of public services at the provincial and local levels."

The Treasurer will recall that he also went on in the 1976 budget to say, "Provincial borrowing restraint must also be met by restraint on the part of Ontario Hydro."

Can the Treasurer explain why he is allowing Hydro to borrow more funds than are available to it on the long-term market? The evidence from Ontario Hydro to the Ontario Energy Board says: "Long-term capital availability from primary debt markets is likely to be significantly exceeded by financing requirements." As a result of that, Ontario Hydro is forecast to increase its borrowings in the short-term market by more than \$370 million this year to finance some of its programs.

Will the Treasurer agree with me that it appears Ontario Hydro's borrowing requirements are getting very much out of whack and possibly beyond the capacity of them and the Treasurer to handle it?

2:30 p.m.

Hon. F. S. Miller: Mr. Speaker, the combined borrowing requirements of Ontario and Ontario Hydro of course are very important, and have to be assessed by the kinds of parameters that are

in the documents the Leader of the Opposition mentioned. Some six years later I take no exception to the comments made by my predecessor. One must make sure the total borrowing is within the parameters the marketplace sets for available funds allocated to the Ontario jurisdiction.

I think in most parts of the world lenders really do not differentiate between Ontario Hydro and Ontario. In the United States, as the Leader of the Opposition knows, Ontario does the borrowing in its name and relends the money to Hydro. In some markets, I believe Europe is one, Hydro takes some in its own name. While I was in Japan one of the questions we were exploring was whether any borrowings in that market would be in the name of Hydro or Ontario.

I would say that when my staff makes the projections of deficits for the province they take into account the projected cash requirements of Hydro. In the last two years, as our awareness of energy dependency has become greater, we made a conscious decision in this government to increase our reliance on electrical power. Therefore, through the Board of Industrial Leadership and Development document, the government requested Hydro to speed up some of the projects which, based upon projected load demands, one might say would not be needed.

I want to say that at this early stage one cannot be sure that all that power will be needed as it comes on, but the evidence is that if we did not have it, and if the almost inevitable world crises of oil supply continues—and my colleague the Minister of Energy (Mr. Welch) will assure members it will—then all members of this House could justifiably criticize us for not being ready and for not having indigenous sources of electrical or other forms of energy available for Ontario people. So we have made a conscious decision to do our best to have energy available and that has increased the borrowings of Hydro to some degree.

Mr. Peterson: That was a very nice speech but it had nothing to do with the question I asked. I will repeat it for the Treasurer: Is he aware that Hydro is running out of its capacity to borrow in the long-term market and is now borrowing short-term, and that as a result of short-term borrowing of something over \$370 million this year, the government is going to pay \$3 million in interest? The Treasurer is the one ultimately responsible for that.

In view of that and of the fact that about 40 per cent of the total energy bill paid by consum-

ers in this province is now going to finance just the interest at Hydro, which is well over \$1 billion a year, does the Treasurer not feel that as the chief bookkeeper for the province, including Hydro, he has some responsibility to step in as McKeough did in 1976 and not let this get out of hand, particularly when there is massive overcapacity and probably will be in 1990 as well?

Hon. F. S. Miller: Certainly I feel that responsibility. I would be the last to say it is not a major responsibility for me or for any Treasurer who succeeds me. I think all of us on the government side would accept that independent though Hydro may be in many ways, the ultimate responsibility for it rests with the government of the day. I do not think I have ever tried to duck that.

The Leader of the Opposition asked me if Hydro is able to borrow. I would point out that I think he has stretched interpretation of the markets. I think he would accept the fact that world debt markets are in disarray. The ease of getting long-term money on the 30-year basis that was available almost on a routine application a few years back has been seriously hampered for everyone. Yet, of all the borrowers recently entering the US market, Hydro is one of the few if not the only one, in the name of Ontario, to have received a 30-year issue. A \$200-million 30-year issue was just floated.

We only went for \$150 million and to the surprise of the underwriters the availability of capital for Hydro was such that they expanded it to \$200 million that very morning. That is the measure of the confidence of the market in the triple-A rating of Ontario and the overall financing of Hydro.

Mr. Foulds: Mr. Speaker, does the Treasurer remember the statement in the background paper to the BILD document on realizing the potential of electricity, and I quote: "Ontario's hydraulic and nuclear power plants will provide the province with relative stability in electricity prices in the 1980s, in sharp contrast with the continued uncertainty surrounding oil and gas pricing in Canada and abroad?"

In view of the evidence before the Ontario Energy Board hearings where we hear that Hydro is going for a 54 per cent increase, does the Treasurer not think that interest rates, and the uncertainty surrounding them, are providing a terrible uncertainty for the consumers of electricity in Ontario?

Hon. F. S. Miller: The uncertainty of interest

rates provides a terrible uncertainty for all of us, not just the consumers of electricity in Ontario. I think it is rather senseless to assume that is the sole cause of that increase.

Of course the cost of money is increasing dramatically for Hydro and of course there are good reasons to see the debt-to-equity ratio improve somewhat, but I would say it still passes the test of scrutiny. I would argue with the member that he should look at the cost of power in this province compared to our neighbours, with the exceptions of perhaps Manitoba and Quebec where they are basically on hydraulic resources only.

Mr. Kerrio: Why don't you mind your own shop? That is a cop-out argument. You are always talking about other jurisdictions.

Hon. F. S. Miller: That is not a cop-out argument.

Mr. Speaker: Order.

Hon. F. S. Miller: The member only needs to go across the border—

Mr. Kerrio: That is ridiculous and you know it.

Mr. Speaker: Order. I caution the member for Niagara Falls that his interjections are entirely out of order. Has the Treasurer finished his answer?

Hon. F. S. Miller: Only if I respond to the interjection.

Mr. Speaker: No, the interjections are entirely out of order.

Mr. Peterson: If I may get back to the question. We point out in the question that it is in Hydro's own submission to the energy board that it is exceeding its capacity to borrow in the long-term primary market and is now into short-term markets that are costing the consumer more. As I pointed out to the Treasurer, 40 per cent of the energy bill is now going to pay interest. We know the reason for that is because of the large projects that the government has instructed them to go ahead with and we also know there is a massive over-capacity in the system.

The energy consumer is now paying for a massive system that has been ill-conceived and poorly built by the Hydro planners. That is the reality. Is it not time that the Treasurer took the bull by the horns and said: "That is enough. We cannot afford to pay any more in energy costs in this province at a time of recession?" That is the Treasurer's responsibility.

Hon. F. S. Miller: Mr. Speaker, as I heard it, that was a lecture more than a question. I would only let my colleague, the Minister of Energy, at some time defend Hydro as an entity. Amongst the utilities of the world I think it is well respected.

TAX BURDEN

Mr. Peterson: I have another question of the Treasurer. I would like to read to him a letter that I received, and send him a copy with enclosures. It was written to me. It is from a Mrs. A. Miller, no relation I assume, from the Midway Ice Cream Parlour and Donuts, 2340 Dundas Street West, Toronto, Ontario. It says:

"I own a fast-food shop, and I took up a petition against the provincial seven per cent sales tax on fast foods which I had intended to send to Frank Miller, but I have been very concerned about what he might do with it. I felt he might ignore it or throw it into the nearest waste basket so I am sending this petition of more than 500 signatures to you instead, and hope you can make use of it, also a copy of it to send to him so it might not be destroyed."

She goes on: "Already, I have lost one-fourth of my business as people are already being charged tax in some fast-food shops, and they expect to be charged tax in my store. When this tax comes into effect on June 14, I wonder if my store can survive this tax."

"Further, I have had to buy a new cash register so that I can become an unpaid tax collector which my store cannot afford at the present time. Frank Miller should reimburse me for this cash register, and I should withhold the tax until it is paid for."

She goes on in her letter to the Treasurer, and I am going to send it across to him: "Take my store as an example: if it fails, four jobs are lost. Multiply that by hundreds of failed businesses and thousands of lost jobs. You plan to completely wreck the economy of Ontario."

What advice should I give this lady when I respond to her letter?

2:40 p.m.

Hon. F. S. Miller: First, Mr. Speaker, any Treasurer is keenly aware of the lack of enthusiasm for any change in any tax, after any budget. I have learned that in four budgets and I am sure that every Treasurer before me learned it. Apparently, the only time anybody is happy with a Treasurer is when he is giving away money.

On the other hand, I find it difficult to have the member lecture me and my government

every day of the week about our deficits and our spending patterns, and object to us finding what are reasonably fair ways of raising money. I suggest to the member that meals have been taxed in most jurisdictions one way or another. On any basis in Canada, this government stands up as the most effective user of tax dollars, and the member knows it. We will pass any test he wants to put out and we will put it in print. As people reasonably aware of that business and having listened to the arguments of the hotel, tourist and restaurant industries, we chose what we thought was a fair middle-ground approach.

Mr. Peterson: Just so I understand, is the Treasurer suggesting that my response to Mrs. Miller should be that they are running a pretty good government, they are fairly efficient, not wasting money on Suncors or jets or things like that, and this is the fairest way to raise taxes, and that what happens to her four jobs and her business does not matter? Is that the way I should phrase my letter to her?

Hon. F. S. Miller: I am sure it is the way the member will phrase his letter to her, but that is not what I said. I have learned that when tax was put on my tourist resort, the guests came. They did not like the tax, but they came. I can assure the member that when I had to raise \$300-odd million in Ontario, I carefully assessed the alternatives and chose the widening of the base, which the member must admit has been eroded considerably over the years, as the fairest way to increase taxes.

Mr. Cooke: Mr. Speaker, has the Treasurer made any assessment of how many jobs will be lost because of this tax on food under \$6, in comparison with the \$250 million he gave to the profitable incorporated businesses of this province?

Second, will the Treasurer clarify today the statement he made last week about the tax the nonprofit groups will be putting on dinners and food they sell at fairs? His answer was very fuzzy. Could he confirm whether the regulation is going to make a \$1,000 limit for any particular banquet held once a year? Does he realize, if that is the case, in effect he is putting these groups in the position of having to charge tax on the vast majority of their functions?

Hon. F. S. Miller: I think those are two quite different topics, the one related to the sales tax on restaurants and the other on charitable organizations. My colleague the Minister of Revenue (Mr. Ashe) and I have been talking about the regulations, and I can assure the

honourable member there are already exemptions in the regulations to which he can refer. There are still a couple of grey areas that we will identify, and we will answer those as we clarify them.

Mr. T. P. Reid: Mr. Speaker, to all our questions to the civil servants in the Treasury department about how the Treasurer made these decisions and on what facts and figures they were made, we were appalled at the responses we got. The budget appears to have been written on the back of an old envelope, and there seem to have been no economic studies done on the impact of these taxes. We have been told that in the food industry alone, 7,500 people may lose their jobs because of the tax on food.

Has the Treasurer set up any mechanism within the Treasury department to assess the impact on the provincial economy of the new taxes he has brought in, the retail sales tax broadening and others, so that he can report to this House in six months or less on the impact of those taxes he has laid on the people of Ontario? If those figures show these jobs are being lost and people are going out of business, will he rescind them?

Hon. F. S. Miller: Mr. Speaker, first, there are many problems in industry that are causing lost jobs. It is very easy for any person who is having a problem to find a whipping boy, which happens to be the sales tax in this case. I can assure the member a lot of people will use it as the final straw and say that is what did it.

I know of no easy-to-measure characteristic to tell me that net result. I only know that, on average, where you have a reasonably stable economy, tax does not change buying habits.

HYDRO RATES

Mr. Foulds: Mr. Speaker, I have a question for the Minister of Energy about Hydro rates. Now that it is clear from the evidence before the Ontario Energy Board that the commitment of the government and of Ontario Hydro to nuclear power is at least a major contributor to the 54 per cent increase in cost to the consumers of Ontario Hydro over the next three years if Hydro gets its way, after Hydro has already received a 147 per cent increase in rates since 1974, what steps is the Ministry of Energy going to take to rigorously examine Hydro's expansion plans to ensure that the dreams and ambitions of the nuclear imperialists at Hydro do not gouge the consumers of Ontario?

Why have the true costs of nuclear power,

including the interest costs on the enormous capital borrowings required, not been made clear to the government, the Legislature and the public of Ontario?

Hon. Mr. Welch: Mr. Speaker, the only application that is before us now is the one dealing with the 1983 rate. As the honourable member knows, since he is the critic for the Ministry of Energy, Hydro is required in a fairly clear-cut, straightforward way to make its proposals known to the Minister of Energy by a certain date. The minister then refers them to the Ontario Energy Board for public review, which is at present going on.

The only thing that is officially before us now is the requirements of Ontario Hydro for 1983, which involve a projected 13.9 per cent increase for 1983, taking into account the requirements of Ontario Hydro for that year to meet its obligation to provide the people of Ontario with power at cost.

Mr. Foulds: Mr. Speaker, the minister likes to refer to the OEB hearing as an open, public hearing. Is he not aware of the submission by the counsel for the Ontario Energy Board, Mr. Rogers, which says, "However, it is important to recognize that of the total gross revenue requirement of \$4.2 billion"—that is for 1983, just one single application—"over 50 per cent consists of costs which cannot be thoroughly examined because of claims to confidentiality."

Is the minister also aware that Mr. Rogers indicated in his submission to the board that: "Hydro is plagued with excesses, including generating capacity, heavy water and heavy water capacity, western Canadian coal, oil, uranium, nuclear fuel, land and possibly people. The board has not been able to examine any of these areas of concern due to claims of commercial confidentiality."

What kind of public and open hearing is it when 50 per cent of the gross revenue requirements of Hydro cannot even be examined by the counsel for the Ontario Energy Board?

Hon. Mr. Welch: Mr. Speaker, I would assume that the Ontario Energy Board, in conducting its review and ultimately reporting to the minister, will have to share whatever observations and conclusions it comes to as a result of all the presentations. Certainly the Minister of Energy would assume that the Ontario Energy Board would have available to it the information that it needs in order to advise the minister with respect to the application of the utility.

Mr. Peterson: Mr. Speaker, the point is, and it was very well raised by the deputy leader of the New Democratic Party, that they do not have the information. That was the submission of Don Rogers, the counsel for the Ontario Energy Board. They are incapable of reviewing at least half the component costs that are going into the new rate structure.

That is the point. If they do not know what it is and if the Minister of Energy does not know what it is because he has washed his hands of this matter entirely anyway, would that not suggest to the minister, because he is getting into trouble on this, that maybe we should reinstitute the select committee on Hydro affairs to have a thorough look at this question that is getting way out of his government's capacity to control?

2:50 p.m.

Hon. Mr. Welch: Mr. Speaker, I am satisfied that the Ontario Energy Board is quite capable of looking after the assignment referred to it. It is one thing to quote what a lawyer may have said with respect to the public hearing. I am waiting to hear from the board itself the result of the review being conducted by members of that board—

Mr. Foulds: How can it make a judgement when 50 per cent of the costs are hidden from it?

Hon. Mr. Welch: I would think under the circumstances that if the Ontario Energy Board feels so handicapped, it would say that as part of its report.

Mr. MacDonald: Mr. Speaker, an extremely important new element has emerged here. If the lawyer for the Ontario Energy Board who is examining public disclosure of components involved in Hydro's proposed rate increase for the next year now says that 50 per cent of the information is not available to him and is restricted because of its confidentiality, my question to the minister is this: Does he know what areas are restricted? If he does, will he let us know in the House, not necessarily in detail, but which areas are restricted? If he does not, will he find out and inform the House?

Hon. Mr. Welch: The Minister of Energy would want to know of any handicaps being experienced by the board in carrying out its mandate. As a result of this exchange today, if there are such areas, I would be very happy to comment on them.

ASSISTANCE TO HOME OWNERS

Mr. Foulds: Mr. Speaker, I had a question for

the Treasurer who was in the precinct a moment or two ago. Can he be reactivated? If not, I will have to ask the question of the Deputy Premier (Mr. Welch).

Interjections.

Mr. Speaker: Order.

Mr. Foulds: While the Deputy Premier is listening, I hope the Treasurer is also listening and can come in and rescue the Deputy Premier.

Is the Treasurer aware of a study done by the Ministry of Municipal Affairs and Housing called Ownership Housing Survey in Seven Ontario Cities, October 1981? If he is aware of the study on home ownership, is he aware it shows that given today's mortgage rates, home owners who will renew their mortgages in the next two years will face an average increase in monthly payments of almost 40 per cent? Furthermore, is he aware the study indicates we can expect that in 1982 between 45,000 and 50,000 home owners will be faced with housing costs which will take 30 per cent of their income or more?

Given those startling statistics, will the Treasurer move immediately with a mini-budget to provide interest rate relief so that the tremendous burden of high interest rates can be alleviated on medium- and low-income families trying to keep their homes?

Hon. F. S. Miller: Mr. Speaker, I am not specifically aware of the survey. It may have crossed my desk, but I am sure the Minister of Municipal Affairs and Housing (Mr. Bennett) is aware of it. However, I do not dispute the figures the member has quoted as being those in it.

To answer his specific question, in my budget I said there was no need to duplicate a federal program that has a chance of working and appears to be working. That was an interest rate relief program for those paying over 30 per cent of family income. I want to see whether it does work or not. I also want to see whether my colleague, the federal minister, is bringing out a new budget in the next week.

Mr. Foulds: Does the Treasurer not realize that even for those people able to maintain their homes, if they have to pay a 40 per cent increase and in excess of 30 per cent of their income, the money they will have to allocate to trust companies and the banks will be money that is withdrawn from the economy, money that they would be spending on other consumer goods that would get the manufacturing sector of this

province going and would help to maintain jobs in this province?

Hon. F. S. Miller: Yes, I am, but I have to point out there are two sides to every equation. For every person who pays more interest, there is somebody who receives more interest, including the tax man.

Mr. Peterson: I would like to ask a related question to the Treasurer on that. I am finding in my constituency capacity a number of people who, because of lack of financial capacity, are not being allowed to renew their mortgages by the financial institution with which they were previously carrying their mortgages. Due to the change in interest rates it is obviously taking a much higher percentage of their income and, as a result, they are not able to get mortgages.

Would the Treasurer undertake to have some discussions, be they formal or informal, with representatives of the various financial institutions in this province and use all the moral suasion he can summon up to persuade them to renew mortgages and prevent a lot of people from losing their homes because they cannot get mortgages at any price?

Hon. F. S. Miller: We had some discussions with members of the financial community, those who write the mortgages. The Minister of Municipal Affairs and Housing certainly did, and I had some discussions during the pre-budget period. We encouraged them to be as inventive as possible. For example, the Minister of Municipal Affairs and Housing requested Ontario Mortgage Corp. to go to weekly payment plans because that had the effect of reducing the time period somewhat significantly. I know a number of people are finding that an advantage in the long run.

I can certainly find no reason not to recommend to the minister that he consider the member's recommendation. It is always worth while to discuss innovative ways of helping people retain home ownership. The minister is not here today, but I would be pleased to know he is doing something of that order.

Mr. Foulds: Can the Treasurer tell us what direct action he will take on behalf of these people? Does he consider them to be among the losers too and his budget is only for winners? Is the minister aware that the study indicates that five per cent of the home owners in this province, 12,500 home owners, will be facing payments of over 41.5 per cent of their income for home ownership? Is the minister going to abandon these people completely? Why does he

not do something within his jurisdiction here in Ontario to help at least the desperate cases?

Hon. F. S. Miller: I think my colleagues will share our concern with the overall interest rate policy of the country, although I would not expect the opposition benches to do so. At a time when the American rates dropped half a point, ours went up half a point.

Mr. Foulds: Why don't you bring in interest rate relief?

Hon. F. S. Miller: I cannot bring in interest rate relief. I told the member the federal government has a program for that. I would dearly love to see policies at the federal level that would cause our rates to drop in tandem with the American rates, as they should, instead of having a panic run on the Canadian dollar brought about by lack of confidence in our federal colleagues.

HYDRO STAFF

Mr. Kerrio: Mr. Speaker, I have a question for the Minister of Energy. Is the minister aware of the evidence presented by Ontario Hydro to the Ontario Energy Board, which shows the head office bureaucracy of Ontario Hydro is forecast to increase by 392 people in 1983 over the 1982 forecast, bringing it up to 7,935 people? Is the minister aware that this growth has now overflowed into some 1.5 million square feet of owned and occupied office space in five downtown buildings and in two other buildings in downtown Toronto?

In view of the government's restraint program, is the minister concerned that rather than attempting to reduce the growth of centrally located staff in perhaps the most costly real estate available in Ontario, Ontario Hydro is, in fact, increasing its forecast? What is the minister going to do to bring Ontario Hydro under control and back into the real world? Is this not the only way he is going to begin to turn back the unconscionable increases in the cost of Ontario Hydro, not only to the public users but to the manufacturers in Ontario?

Hon. Mr. Welch: As I have indicated on other occasions, Ontario Hydro at present has an application before the Ontario Energy Board for its review. As the honourable member knows, coming as he does from the Niagara Falls area, the philosophy of Ontario Hydro has always been the provision of power at cost. The rate at which that cost is accelerating is of some concern, not only to Hydro, but indeed to those who have the responsibility of reviewing the

revenue requirements, particularly as they relate to cost.

I have been assured by officials of Hydro that the Hydro board is very concerned about this whole area of growth in staff and has it under constant review.

3 p.m.

Mr. Kerrio: I wonder how the minister might justify the enormous growth in other areas. In view of the findings of the Ontario Energy Board, Ontario Hydro now requires 99 employees or one out of every 250 to negotiate with unions that administer the corporation's benefits program. One of every 30 to 50 employees are personnel people looking after employees and Ontario Hydro's public relations staff of 120 is only 38 short of the entire Ministry of Energy staff.

Will the minister not agree that Ontario Hydro is living well beyond its limits and that it must be brought back under some kind of control to live up to its mandate, not only to provide power at cost to the people of Ontario, but at a reasonable cost? Can he not cut that monster back and begin to develop power at a cost more equal to people's ability to pay?

Hon. Mr. Welch: I am quite satisfied Hydro would be as conscious as any employer of the need to effect economies and efficiencies. Indeed, the member knows, from a response to a question earlier in this session as a result of some media stories dealing with this whole question of staff, that as we move to more dependence on nuclear power for the provision of electricity there is a certain labour intensity there not identified with other forms. We have to continue to meet our obligations.

As the member knows, the board of Ontario Hydro by the legislation is charged with these responsibilities and is generally accountable to its customers. These matters are reviewed publicly and I can only repeat what I said in answer to the main question: The board of Ontario Hydro would be just as concerned as the member to satisfy its customers. It is running the most efficient and effective organization it can to provide for the customers of this province electrical rates which I am sure, as the Treasurer (Mr. F. S. Miller) has pointed out, are attractive indeed when compared with those of other jurisdictions.

Mr. Foulds: Mr. Speaker, can and will the minister tell us why this very simple question has not been answered? Why has there been this undue burgeoning of management personnel in

Hydro? That is a simple question. How many of those management appointees have been brought in from firms having previous business contracts with Ontario Hydro, over the top of employees who are within the union structure of Ontario Hydro?

Hon. Mr. Welch: Mr. Speaker, it seems to me that is the type of question that would be better put on the Order Paper.

TAX BURDEN

Mr. Cooke: Mr. Speaker, I have a question for the provincial Treasurer and it is based on information obtained during our task force's trip to Sudbury last week. I would like to ask the minister if he is aware that because of his budget, the increased cost to the regional government in Sudbury will be \$312,000 and to the city of Sudbury over \$200,000?

Is the provincial Treasurer aware the regional municipality of Sudbury passed a resolution? This states, as follows: "Whereas the recent provincial budget announcements will have substantial financial impact on municipal taxpayers, and whereas the provincial budget announcements were made after most municipalities had adopted budget estimates for the year 1982 resulting in cost overruns for municipalities or service cutbacks, therefore, be it resolved that the regional municipality of Sudbury petition the province of Ontario to extend retail sales tax exemptions for municipalities."

Is the Treasurer aware of the problems and is he going to accept this recommendation from the regional municipality of Sudbury?

Hon. F. S. Miller: Yes, I am aware, Mr. Speaker. That kind of question has been posed to me by half a dozen members of both parties opposite. I did predict that every municipality in the province would pass a similar resolution. The problems I have imposed on them add, as I pointed out, 0.5 per cent to their overall spending in a year on average. We thought this was no different from the problems we imposed on business people who had to pay more OHIP or whatever other tax I raised, or on consumers in the province.

Interjections.

Mr. Speaker: Order. I would have to ask the honourable members to limit their private conversations, please. That was the final supplementary.

Mr. Foulds: First question.

Mr. Speaker: I am sorry. All right. The member for Niagara Falls.

Mr. Kerrio: Mr. Treasurer, I wonder—

Mr. Foulds: On a point of order, Mr. Speaker: Is there not a second supplementary belonging to the New Democratic Party?

Mr. Speaker: Yes.

Mr. Foulds: A first supplementary, I mean.

Mr. Speaker: I am sorry. I got distracted with the conversation. The member for Nickel Belt.

Mr. Laughren: Mr. Speaker, I am used to having to fight harder than most people to get my views across. My supplementary to the Treasurer is, does he recall the closing comments in the letter to him from the members of the Sudbury Board of Education? They said, "What with the federal budget in Ottawa still being a mystery wrapped in an enigma and your budget wringing blood from the wrong stones, it is a wonder to us that the well-dressed citizen does not go around today dressed in nothing but an empty rain barrel."

If the Treasurer recalls that comment, I assume as well he understands that problems in the Sudbury community are going to be particularly acute this year. If the Treasurer will not rescind the tax on those items that affect school boards, would he at least make a commitment to cover the extra cost in this particular year for the Sudbury school boards since they were unable to plan for this increase when they brought down their budget, in view of the very difficult times they are going to have in the community anyway collecting taxes this year?

Hon. F. S. Miller: I could not make that promise.

Mr. Kerrio: Mr. Speaker, in conjunction with this M and M budget, MacEachen and Miller, I wonder if the Treasurer might have sent—

Interjections.

Mr. Speaker: Order.

Mr. Kerrio: Can the Treasurer honestly stand in his place and tell us in this House, and the people of Ontario, that he spent as much time in fabricating this budget as with his cabinet members to get them to cut down on the expenses in Ontario?

Hon. F. S. Miller: Yes, I did.

BUY-CANADIAN POLICY

Mr. Boudria: Mr. Speaker, I have a question for the Minister of Industry and Trade on the buy-Canadian policy of his government. In a reply last week to a written question, the

Minister of Intergovernmental Affairs (Mr. Wells) admitted that Ontario's "We're proud to be Canadian" coins were minted in the United States. Can the Minister of Industry and Trade tell us why these coins were not struck here in Canada when such a company as the world-famous Johnson Matthey Ltd., assayers, right here in downtown Toronto, says it had the time to produce them and it could have done them for us. Incidentally, this company also produces the souvenir coins for the use of this Legislature.

Hon. Mr. Walker: Mr. Speaker, I raised this question with the Minister of Intergovernmental Affairs on the evening the coins were handed out, which was, of course, the day before the constitutional events took place several weeks ago. At that time, it was indicated that was the only company within the time frame there was that could produce them in time.

Ms. Copps: That is not so. You are wrong.

Hon. Mr. Walker: Is the member telling me I am lying?

Mr. Speaker: Order.

Mr. Martel: Do you want me to answer the question?

Hon. Mr. Walker: Are you saying that—
Interjections.

Mr. Speaker: Order.

Mr. Boudria: Is that the end of the minister's answer?

I have a supplementary to the minister. It is in regard to the general principle of this government preaching a buy-Canadian policy. Incidentally, I am glad the member for Cambridge (Mr. Barlow) is here, because he is very interested in the buy-Canadian policy. How can the government preach that to its citizens, yet something as symbolic as these coins, which say—in spite of the fact there is a mistake on the coin—"We're proud to be Canadian," are not made in Canada? If the minister is that proud to be Canadian, how can he allow this kind of thing to happen?

3:10 p.m.

Hon. Mr. Walker: Obviously the honourable member was not listening to the answer. Perhaps he was rehearsing his next question. The fact is that I was informed and I take it as being valid.

Ms. Copps: You were ill-informed.

Mr. Speaker: Order.

Hon. Mr. Walker: I was not informed by the member for Hamilton Centre but by a person I

consider to be a reputable source. That person indicated that in view of the very short lead time before production, it was impossible to have those in place. I do not think that was an unreasonable approach. They thought it would be better to have the coins in time for the event rather than several weeks thereafter.

There was a gathering on the lawns of this Legislature and in this building on the very day of the proclamation and it was because of that proclamation that the coins had not—

Interjections

Mr. Speaker: Order.

Mr. Foulds: Does the Minister of Industry and Trade not realize, as my colleague the member for Ottawa Centre (Mr. Cassidy) said, that he has had over 115 years to get ready?

Hon. Mr. Walker: Mr. Speaker, I apologize to the honourable member. I thought it would be a longer question and that I would have time to catch up with it. I was eavesdropping with my colleague here who indicated that a relatively few sets had been sent to the States and that the balance had been produced here. He might be better able to answer that question. However, if the member will repeat his question I will try to deal with it.

Mr. Foulds: Does the minister realize he has had over 115 years to get ready? Did he wait until the last minute to make the decision to get the coins minted?

EMPLOYEE HEALTH AND SAFETY

Mr. Martel: I have a question of my friend the Minister of Labour regarding the use of ethylene oxide as a sterilizing gas in many hospitals.

Is the minister aware that ethylene oxide is a proven toxic substance with known effects such as skin disorders, respiratory problems, eye irritation, nausea, vomiting, nervous system and sensory-motor ills, and is now considered to be possibly carcinogenic as well? If he is, perhaps he can tell us why hospital workers have been denied access to certain studies.

A study done for the ministry by the Ontario Hospital Association in 1980 was given to all hospital management and all of the minister's inspectors but was denied to local health and safety committees. This same study was denied to Colin Lambert of the Canadian Union of Public Employees by Dr. Gewurtz of the minister's department, on May 3, on the advice of Dr. Anne Robinson, who informed him that CUPE was not to be given this study.

And why will the ministry not release to

CUPE the terms of reference or findings of another study, that of a 10-bed hospital, conducted by his occupational health and safety branch? How can he say that workers have access to information when his ministry refuses to give to the hospital workers the studies which have been done on ethylene oxide?

Hon. Mr. Ramsay: Mr. Speaker, to answer the last part of the question first, I think the honourable member will agree that any time he has asked the ministry, through me, for any information or report of any kind—and this applies to his colleagues as well—the information or report has been forthcoming.

It is my understanding that the information that Mr. Colin Lambert has requested is in the nature of an interim report. While it has been my policy and that of the ministry to release all final reports, we have not been releasing interim reports.

Mr. Martel: Is the minister not aware that the study was completed in 1980, or that the second study, that of the 10-bed hospital, was done by the ministry itself? Does he not also know that there is yet another study being undertaken which, while it is going to study gases and will cover 75 hospitals, will supersede the study of ethylene oxide based on the other studies which have been completed and which the ministry has refused to give to CUPE?

Is he aware that under the latest study he is commenting on, the College of Physicians and Surgeons has asked to be involved but that none of the workers on the health and safety committees from the hospitals are taking part in the study?

At least three studies have been completed. Could we have those, along with at least the terms of reference of the present study that is going on?

Hon. Mr. Ramsay: Mr. Speaker, I think that sounds like a reasonable request. I will be pleased to look into it and get back to the member accordingly.

SALES OF DUTY-FREE LIQUOR

Mr. Newman: Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations. Will the minister tell this House whether the Liquor Control Board of Ontario is still negotiating with the federal government over the sale of liquor in the duty-free shops the federal government proposes to open at border crossing points in Ontario, such as Windsor, Fort Erie and Sarnia, just to name a few?

Is the minister not concerned that it is the intransigence of the LCBO to relinquish even this limited aspect of its monopoly that is preventing the establishment of these shops in Windsor, for example, a city already suffering from the hardships of high unemployment?

How can the LCBO justify its position when Manitoba, British Columbia, New Brunswick and Quebec have already agreed to establish trial programs and even Alberta and Saskatchewan have agreed in principle with the federal government to allow private enterprise to co-operate with the respective provincial liquor boards in the sale of liquor at these duty-free shops?

Mr. Kerrio: What is free enterprise?

Hon. Mr. Elgie: Mr. Speaker, I know the member for Niagara Falls (Mr. Kerrio) is in favour of it as long as it fits in with what he wants that day.

Mr. Kerrio: You don't know what the word means.

Mr. Speaker: Order.

Hon. Mr. Elgie: We all understand that. Even Jim Coutts is in favour of free enterprise, is he not? Tell me about Jim Coutts and his views.

Mr. Speaker: Order.

Hon. Mr. Elgie: Is he not the fellow who supported the Suncor purchase?

Mr. Speaker: Order. Would the minister please address the question?

Hon. Mr. Elgie: I will, Mr. Speaker, but you have to acknowledge he is a problem sometimes.

An hon. member: All the time.

Mr. Kerrio: You better believe it.

Hon. Mr. Elgie: Mr. Speaker, I would like to tell the member that I share his interest in making certain the citizens of Ontario have the opportunity to take advantage of duty-free shops if we can reach some agreement on the principle.

I think we do not really understand the historical basis of what has happened in those negotiations. If one goes back to review them, one will find that in 1975, the then minister of this government, Mr. Sydney Handleman, met with Mr. Ron Basford in Ottawa and they reached a firm agreement on the establishment of duty-free shops. Everybody agreed to it.

As a result of that, the first one was established at Toronto International Airport. There was a firm understanding that the LCBO was prepared to open shops at designated border

points and, where it was not economically feasible to carry out that opening, discussions and agreements could take place about distribution through an agent.

As the member knows, the LCBO has recently been in negotiations again because that agreement was abandoned by the federal government. They have been in negotiations again and those negotiations are stalled. I met with the board some time last week and talked about this. It is their view that, if there is to be a continuation of discussions, I should get in touch with my counterpart in the federal government. I will be prepared to do that.

Mr. Newman: Windsor is the busiest border area in Canada, having cleared a total of 11 million travellers, and Fort Erie has cleared an almost similar figure. The busiest single border entry point across this country is the Windsor area. The second area is Fort Erie and the three Niagara bridges. Does the minister not recognize the damage the LCBO position is bringing upon business establishments in these cities by holding back the creation of a substantial number of jobs at all Ontario-US border points?

Hon. Mr. Elgie: Mr. Speaker, I agree there is a need to try to resolve the issue. The point I am trying to make, and I say this with respect, is there was an understanding and we had always assumed it was a firm understanding. One party reneged on that understanding.

Hon. Mr. Grossman: Who was that?

Hon. Mr. Elgie: I do not want to tell you who it was. You are too nosy about those things. The less you know—

Hon. Mr. Grossman: Well, it was the feds.

Hon. Mr. Elgie: No, I will not say that. I am sorry.

Mr. Grossman: Was it the feds? Was it the province?

Hon. Mr. Elgie: I am not going to tell you.

3:20 p.m.

AFFIRMATIVE ACTION

Ms. Bryden: Mr. Speaker, I have a question for the Minister of Labour. His women's bureau has provided me with statistics which show that the affirmative action program last year had only four staff members, one fewer than in the previous year, and a total budget of just \$95,161, and that only 10 new affirmative action programs were established last year.

In view of the statement by the Minister's Advisory Council on Equal Opportunities for

Women in its recently leaked draft report that "substantially larger resources have to be allocated to making the affirmative action commitment of the government known to all involved and securing their active support and participation," will the minister tell us how many additional persons he has provided for the program in his 1982-83 estimates and by how much, if any, he has increased the total budget for the affirmative action program?

Hon. Mr. Ramsay: Mr. Speaker, I hope the Chairman of Management Board (Mr. McCague) was listening to the honourable member because I agree completely with the information she has provided. We are anxious to obtain additional resources for the women's bureau. We are caught in the constraint program of this government, and we have found that we have had to cut staff and budgets in other sections as well.

I want to assure the member that we are trying to assess that particular circumstance with the women's bureau. We are trying to reallocate some of our resources and do everything we can to beef up the program.

Ms. Bryden: Is the minister considering the advisory council's additional recommendation that he ask government statistical agencies to require employers to collect and report statistics on the male/female breakdown for applications, positions filled and share of training programs? He could then monitor the need for affirmative action programs and the efficacy of the existing ones, and obtain facts that might give him cause to reconsider his stubborn rejection of legislated affirmative action as the best means of achieving equal opportunity for women.

Hon. Mr. Ramsay: I promised the advisory council a complete response before the 15th of this month on each of the points they had raised, and I promised that I would discuss it with them personally on the 28th of this month. The response to their questions is being typed at present and will be in their hands before the deadline I gave of June 15. I think it would be inappropriate for me to give the honourable member the response before the advisory council receives it. However, they will have it very shortly, and it will be public after that.

JOB CREATION

Mr. Wrye: Mr. Speaker, I have a question for the Treasurer. I am sure the Treasurer will remember how he and this government announced with great fanfare their bid to help

create short-term jobs in the municipalities under the Ontario employment incentives program. I would remind him that, in announcing the program, he said on page 6 of his budget that the speedup of capital projects in the province had as its emphasis those communities, and I will use the Treasurer's own words, "where unemployment is highest."

In the light of that commitment can I ask the Treasurer why the city of Windsor, with 21,000 unemployed, or 14 per cent if he believes Statscan, received just \$1,561,000, or 4.5 per cent of the available funds; why the city of Brantford received only \$320,000, less than one per cent of the funds; why the city of St. Catharines got only \$306,000; and why, in heaven's name—and I hope my friend the member for Chatham-Kent (Mr. Watson) is listening to this—the city of Chatham, with one of the worst unemployment problems in the entire province with over 8,000 people out of work, got a grand total of \$180,000? What kind of cruel joke is the minister playing on the unemployed in those cities to promise relief and then come up with that kind of pathetic response?

Hon. F. S. Miller: Mr. Speaker, that is not my response; it is the response of the Minister of Municipal Affairs and Housing (Mr. Bennett). It is best addressed to him when he is here.

Mr. Wrye: Mr. Speaker, is the Treasurer now trying to tell us that when he said in his budget the money would go with emphasis on those communities most affected by high unemployment, those were just words? Or did the Treasurer talk to the Minister of Municipal Affairs and Housing and indicate that a high priority should be placed on those communities with high unemployment? If that kind of high priority was given, why did cities with high unemployment receive nothing more than a very average amount of money? Why did they not get the emphasis in this program?

Hon. F. S. Miller: Mr. Speaker, the reason I say the member should address the question—and he knows he should—to the minister responsible for a program is this: of course he knows I said that because it is in the budget and the budget is used as policy for ministers implementing programs.

Second, I have no idea from the statistics the member has read whether those percentages are fair or unfair. That is the kind of information the Minister of Municipal Affairs and Housing could provide. I do not know Windsor's percentage of the population of Ontario, for exam-

ple. If 4.5 per cent is correct then it would seem the member has a point. If it is not, then I do not know, but that is what operating ministers look into.

Mr. Cooke: Mr. Speaker, I would like to ask the Treasurer whether this is just another Tory program—and the way he has allocated the money seems to prove this—and that the only purpose of the program was to give the people of the province the illusion that he was doing something about unemployment? The allocation of the figures shows more clearly than anything else that he had no intention of creating jobs and attacking the problem on a regional basis but simply wanted to try to give the people of this province the illusion that he was doing something when he really was not.

Hon. F. S. Miller: Not at all, Mr. Speaker. The member has often criticized me heavily for sums such as the ones just read into the record.

ASSISTANCE TO FARMERS

Mr. MacDonald: Mr. Speaker, the provincial Treasurer will recall that in the absence of anything else really substantive in his budget for the agricultural community he reminded the public that the farm adjustment assistance program was going to assist 5,000 farmers. Is he aware that at the end of the first five months of that program, which is restricted to this calendar year, there were only 732 farmers helped?

Ralph Barrie, the president of the Ontario Federation of Agriculture, said, "I am disappointed that there was nothing in the budget relaxing the aid program because right now it is so tied up in red tape it is not helping the people who need it." Would the Treasurer not agree that if only 732 farmers have been helped in the first five months, relaxation is needed? Why did he not bring in some relaxation in his budget? Was he asked for relaxation by the Minister of Agriculture and Food (Mr. Timbrell)?

Hon. F. S. Miller: Mr. Speaker, the kind of relaxation that was talked about was obviously not in quantum but in detail. I can tell the member that the minister has the authority to adjust, and has made adjustments in, the procedure.

Frankly, I have very good relations with Mr. Barrie. We are able to speak to each other whenever he has a question. He may have voiced some concerns, but I have not heard him use those words directly to me. He may have used them to the Minister of Agriculture and

Food with whom he normally would deal on those details.

I want to say this, though. We did not just gloss over the agricultural sector. If the member takes the percentages of the original budget that have been added, hardly a ministry in this government has had such substantial changes to the published estimates of last year as has the Ministry of Agriculture and Food. That indicates our concern for the farmers of Ontario. Certainly, we are flexible enough to respond to requests of those groups if administrative problems are encountered.

ROYAL ASSENT

Mr. Speaker: I beg to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

Assistant Clerk: The following are the titles of the bills to which His Honour has assented:

Bill 6, An Act to revise the Business Corporations Act;

Bill 9, An Act to amend the District Municipality of Muskoka Act;

Bill 36, An Act to establish the Ministry of Citizenship and Culture;

Bill 41, An Act to establish the Ministry of Tourism and Recreation;

Bill 60, An Act to provide for the Institution of Complaints for Certain Assessments made in the Year 1981 in the City of Toronto;

Bill Pr3, An Act respecting the City of Toronto;

Bill Pr7, An Act respecting the City of Mississauga.

3:30 p.m.

INTRODUCTION OF BILL

PEER AND SMITH LIMITED ACT

Mr. Brandt moved, seconded by Mr. Dean, first reading of Bill Pr23, An Act to revive Peer and Smith Limited.

Motion agreed to.

ANSWERS TO QUESTIONS ON NOTICE PAPER

Hon. Mr. Gregory: Mr. Speaker, I wish to table the answers to questions 150, 162, 163, 164, 180, 184, 185, 188, 189 and 194, and the interim answers to questions 190, 191, 195 and 203 standing on the Notice Paper [see Hansard for Friday, June 11].

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS (concluded)

On vote 701, ministry administration program; item 1, main office:

Mr. Chairman: I am in the members' hands as to the procedure.

Mr. Van Horne: Mr. Chairman, I must leave the chamber to attend a committee meeting for a few minutes, but I would like to point out that the time remaining in the estimates of the Ministry of Northern Affairs is two hours and 44 minutes. I have just conferred with my colleague the member for Lake Nipigon (Mr. Stokes), and everyone is in agreement to see the estimates be concluded at six o'clock even though technically we may be a few minutes short.

Mr. Stokes: I can confirm that, Mr. Chairman, with the understanding that we have a broad discussion on all the items so that we do not cut off anybody who might have some responsibilities with committee. We can have a wide-ranging discussion on all the votes between now and six o'clock and pass them all at six o'clock.

Hon. Mr. Bernier: Mr. Chairman, I am in full agreement with that.

Mr. Chairman: Do we have full House agreement?

Agreed to.

Mr. T. P. Reid: Mr. Chairman, does the minister have some statement he wishes to make before we proceed?

Hon. Mr. Bernier: No, Mr. Chairman, I do not have any announcements or statements to make now, but I do have for the honourable members something I promised some time ago, the annual report of the northwestern Ontario health unit, the school mobile dental treatment program, which I will be glad to send over to the members.

I believe that on Friday last I sent them a copy of the wild rice report. I hope they received that.

Mr. Chairman: While that is being done, it is my understanding that all the votes will be passed at six o'clock.

Mr. T. P. Reid: Mr. Chairman, since we are going to be dealing with matters concerning various things, I wonder if I could go back to the

questions I raised about norOntair with the minister last week.

I should preface my remarks by saying that I have written the minister to ask him whether he would give me copies of the agreements his ministry has with Airdale and On Air in Thunder Bay in regard to the contracts they are operating under norOntair. So far I have not received an answer from the minister. Maybe he can give me one, but just let me go on dealing with norOntair.

In response to my question about norOntair being moved from North Bay to Sault Ste. Marie, the minister indicated that an announcement to this effect had been made in northern Ontario. It was interesting that the minister did not refer to it in his opening remarks on his estimates. After all, it is something that is fairly major.

I asked at the time whether the minister would table the feasibility study done a couple of years ago which justifies this move. The minister never did answer the part of the question as to whether he would table the study. I am sure there is no reason why he would not, since it supposedly justifies the move.

I wonder also whether the minister is aware that his colleague the member for Nipissing (Mr. Harris) was on the local radio station in North Bay last Thursday night or Friday, saying no final decision had been made about the transfer of norOntair from North Bay to Sault Ste. Marie—maybe I have some of my facts mixed up a little—and that now a study was being undertaken to justify the move.

I wonder whether the minister can indicate whether he will table that study and why he did not make any announcement down here. The citizens of North Bay and others are quite concerned about what is going on in this regard. They, as well as we, would like to see the study that supposedly justifies the move to Sault Ste. Marie.

It is interesting as well that this move should take place in a period of restraint. I presume the minister can table the information that indicates there will be a substantial saving to his ministry and the government.

Hon. Mr. Bernier: Mr. Chairman, if I might, I wish to respond to the honourable member. Let me first point out that the member for Nipissing has been meeting with me on a regular basis, contrary to the honourable member's earlier comment in this Legislature—

Mr. T. P. Reid: He just has not gone back to his constituents.

Hon. Mr. Bernier: Yes, he has. He has been very vocal and supportive of the Ontario Northland Transportation Commission from square one, both in this Legislature and back home. Any aspersions or comments that may reflect on his interest and concern with regard to the future of norOntair should be removed from the record here and now.

Mr. T. P. Reid: Do you know what he said in North Bay yesterday?

Hon. Mr. Bernier: I know the member's sensitivity, because his only supporter in northern Ontario disappeared and he is all alone now, the lone Liberal member in northern Ontario. His party has only one. I realize the member likely had a call from Jean-Jacques Blais, Mike Bolan or somebody. Somebody called you from North Bay and said, "Try to embarrass the member from North Bay because blah-blah." Something happened—

Mr. T. P. Reid: His constituents phoned me; the judge does not involve himself.

Hon. Mr. Bernier: The member from North Bay has been very helpful in our discussions and is very sensitive to the future of norOntair.

I will be making a public statement to this effect possibly tomorrow, but I will advance the guts of the statement at this time. We will be doing a further study and review of that decision with respect to norOntair because, as the member may not be aware, this has been going on for some two or more years now.

Since we looked at the norOntair operation and at moving 125,000 people across northern Ontario from 21 different communities, it was obvious there was a great future for norOntair. Then, of course, he saw us move into a broader field, with the more sophisticated type of aircraft, such as the Dash-8 now coming into our system, which necessitated that we examine carefully where we are going with norOntair.

There is no question that we are taking a major step forward. We are not in the Twin Otter class any more. We are in the airline business in a big way. The member for Cochrane North (Mr. Piché) is very much aware of what I am saying, because the Dash-8 aircraft is highly sophisticated, much more so than the Twin Otter. So it was necessary for us to look at it very carefully.

3:40 p.m.

The possible move of the service, or even its extension to other parts of northern Ontario, is something we have looked at. The people in the norOntair system have been aware of that and

have been working with us for a considerable time. The study to which I referred was done some time ago. It deals with a broad range of policy issues relating to norOntair—

Mr. T. P. Reid: Which you are not going to table.

Hon. Mr. Bernier: —not specifically with the operation itself or the move itself, which will directly relate—

Mr. T. P. Reid: We really need a freedom of information act in this province.

Hon. Mr. Bernier: It speaks in very general terms of centralization, improvement in training and what efficiencies would occur if certain things were done. The member from North Bay has asked us, in view of budget constraints and in view of these economic times, a year and a half after the original study—

Mr. T. P. Reid: If I had not raised it in the House, you would have gone ahead and snuck it through.

Hon. Mr. Bernier: No, I think the member for Rainy River has jumped the gun on what we were going to say anyway.

Mr. T. P. Reid: Andy Morpurgo told me.

Hon. Mr. Bernier: No, I do not think Andy told you that.

Mr. T. P. Reid: I like to see his name in the estimates.

Hon. Mr. Bernier: He is a strong supporter of northern Ontario, and I am glad the member put Andy Morpurgo's name on the record.

We will be doing a study within the system, and I can assure honourable members it will be made available to them. There is no question of that at this time. I know the member from North Bay has repeatedly asked to hear about anything we do from here on in relating to facts and figures that would help him in his concern for his own riding and his home community of North Bay. We have acceded to that demand.

The member asked whether I would table the contracts between the Ontario Northland Transportation Commission and the private carriers that operate norOntair. I have to point out that is a contractual arrangement with a crown corporation. We do not have the contracts; they are negotiated between the ONTC and the private carriers. So it is obvious that I would not have the authority, or even the contracts to table. That is where we stand on that study.

Mr. T. P. Reid: Mr. Chairman, I want to make another couple of comments on economic devel-

opment. I will keep them brief, because I know other people want to involve themselves.

The ministry has done some good things, particularly norOntair, which the minister will recall was my idea some years ago. But I said it before when I was the critic, and I will say it again, it seems to me its biggest failure has been in terms of economic development.

If we look at the figures, we will see that in northeastern Ontario there are 16,000 registered unemployed, or 7.4 per cent of the work force. In northwestern Ontario there were 10,000, or 10.8 per cent, unemployed as of April 1981; that has gone up to 11,000, or 12.9 per cent of the population, out of work in northwestern Ontario in April 1982.

There have been massive layoffs at Algoma, Falconbridge, Inco, Boise Cascade in Kenora, Levesque Plywood in Hearst, Stelco in Ear Falls and so on. Obviously a lot of these are due to a large extent, or to some extent certainly, to the economic conditions in the world. However, we do not see a lot of attention being paid to job creation in northern Ontario. This lack of job stimulation seems to me to be a shortcoming of these estimates and the record of the minister.

It is interesting that the program involving \$500,000 to provide jobs, which the minister announced following the budget and which was to be administered by the northern affairs offices, has not spent one penny nor has received a single application so far. That program seems to be a public relations boondoggle as far as short-term job creation is concerned, and there is very little in the way of long-term job creation.

I wonder whether the minister can give us some idea of where he is going in terms of stimulating job creation and providing long-term jobs in northern Ontario. Can he make reference to the program he announced following the budget and tell us exactly where it is at? I also wonder whether he can let us have a short report on the status of the study which I believe was being done by the northern resource ministers on one-industry towns. I believe a committee was set up to study this matter at one of the conventions he is always going to.

Before I sit down, I want to congratulate the minister for expanding educational television in northern Ontario after all these years. I have always contended that we should have started educational television in northern and rural Ontario.

I was glad to participate on the weekend in that meeting at Old Fort William, in Thunder Bay, at which the minister was so ably repre-

sented by his parliamentary assistant in the sense of his getting as much publicity as he could out of it as well, even though the pressure came from this side of the House for the program. But we are glad to see, finally, the expansion of that service to many areas of northern Ontario.

Hon. Mr. Bernier: Mr. Chairman, as I sit on this side of the House, I am elated every time we examine the estimates of this ministry to see the member for Rainy River jump on the bandwagon for all the good programs we are doing and take credit for them. NorOntair was his idea, TVOntario was his idea—

Mr. T. P. Reid: I'll show it to you in the estimates, if you want to prolong the debate—and you people laughed.

Mr. Stokes: He was reading my speeches.

Hon. Mr. Bernier: Yes. He was reading the speeches of the member for Lake Nipigon.

Mr. T. P. Reid: Remember old Irwin Haskett?

Hon. Mr. Bernier: I was a back-bencher then and I was advocating highways-in-the-sky programs.

Mr. T. P. Reid: You listened to my speeches, and they paid off years later.

Hon. Mr. Bernier: I am glad to see the northern members are on the same wavelength. And I am glad to be on this side of the House to be able to put those programs into practice and to make sure that they respond to the needs of northern Ontario, as we are doing so very effectively.

However, I am surprised to have the member for Rainy River stand up and talk about economic development, particularly after what this ministry has done in Atikokan. I thought he would stand up and recite chapter and verse of what the Ministry of Northern Affairs has done to create a stable atmosphere in the town of Atikokan.

Mr. T. P. Reid: You have done a pretty good job in Atikokan—

Hon. Mr. Bernier: I hope Hansard got that.

Mr. T. P. Reid: —but nothing in the rest of northern Ontario.

Hon. Mr. Bernier: As long as we have got that community sorted out.

The member points to economic development. I think this is a thrust we have taken very strongly in at least the first years of our existence. I wish I had a copy of the May issue of that magazine published in Sudbury, Northern Ontario Business. I do not know whether the

members saw the May issue. I hope to have some extra copies here before we wind up at six o'clock so that the members can read it and study it—

Mr. T. P. Reid: You gave us a copy two weeks ago.

Hon. Mr. Bernier: Did I? That magazine, which is solely interested in and oriented towards northern Ontario, did an excellent job of pointing out the \$6 billion in capital funding that would come from the private sector alone in northern Ontario in the very near future.

The writer of the article cites chapter and verse, and he is very specific. He outlines all the various initiatives and thrusts by the private sector, in the pulp and paper industry, the mining industry and the manufacturing industry—he goes through a long list—and many of those were a direct result of initiatives taken by this government, not by this ministry but by this government in some way, shape or form. The harvest is there. We are starting to bear fruit now because of the proper cultivation that has been done over the past few years.

3:50 p.m.

I look at the forest industry, the mining industry, the municipal infrastructure and even the unorganized areas. Our ministry is involved with the forest regeneration program under the Department of Regional Economic Expansion forestry subsidiary agreement. We are sending a flow of money to the Ministry of Natural Resources to make sure that there are long-term guarantees for our forest industry. We are working very closely with the Ministry of Natural Resources. I am sure that if the member goes down to the estimates of the Ministry of Natural Resources, he will see our involvement in topping up and plugging into those specific programs and those ideas that need to be carried out.

The geological surveys we did in the member's riding, between Atikokan and Dryden, were a direct result of our involvement in putting up our dollars—

Mr. Stokes: How many new mines?

Hon. Mr. Bernier: I think we have to take into consideration the economic downturn we have had. I am confident that there is something there; it is something that is going to surface sooner or later, because that is where the resources of this province really lie.

The member is very much aware of what we are trying to do to improve the position of the communities by providing them with the infra-

structure, the sewer and water facilities, the development of industrial parks and the industrial development strategy. We did one for Fort Frances. We are putting \$1 million into sewer and water facilities in Fort Frances to assist that community directly to bring industries to Fort Frances, and I am sure the member was pleased with that announcement.

Mr. T. P. Reid: Very pleased, yes.

Hon. Mr. Bernier: Very pleased. So we do not do things on a political basis; we just do things where the need is the greatest, and we recognize that need, as we did in Schreiber a few years ago. When the need was acute in the town of Schreiber, we responded to that need.

The member is very much aware of what we are doing in the unorganized areas. Up to this time, until this ministry was brought into being, there was no recognition of the unorganized areas. About 60,000 people were living in limbo, as the honourable members will know. Just last week I had the opportunity to announce a \$500,000 job creation program in the unorganized areas. Such a program was never heard of before; for the first time in the history—

Mr. T. P. Reid: Right. They still have not heard of it. And there has not been one job application, nor have the minister's officials gone out and told anybody about it.

Hon. Mr. Bernier: My staff, who are sitting in front of me, Mr. Tieman and the deputy minister, Mr. Hobbs, met with the northern affairs officers just last week to outline the program to them, and they reported to me that the enthusiasm of the northern affairs officers was absolutely fantastic.

Mr. T. P. Reid: I checked today and they have not gone out yet.

Hon. Mr. Bernier: They will be going out this week. Once they get the details, the criteria are very simple. They will take the applications; they will work with the unorganized communities and the pockets of population to make sure those funds flow. We have got the northern affairs officers involved. We are not going through a whole range of red tape, which these groups and small local services boards abhor. They just cannot stand the paperwork; they want to get on with the job and do it. We responded to this; it is something we had devised a system to respond to.

The member asked for a copy of the report on the single-industry communities which I have been working on with my colleagues across Canada. That report is due to be brought to our

attention this September in Prince Albert. As he knows, we have a new, enlightened government in Saskatchewan. The minister has informed me that he is going ahead with the northern affairs conference in Prince Albert in the middle of September, and I hope the staffs of the various departments from across Canada will have pulled together what is the first draft of that report on how the various provinces are dealing with the problems of single-industry communities.

As I have said many times in this House, there is no simple solution to the problem of single-industry communities, as we saw in Atikokan; there has to be a multiple approach and one that is accomplished on a very pragmatic basis.

I appreciate the member's comments with regard to TVOntario. I am pleased that my parliamentary assistant, the member for Fort William (Mr. Hennessy), was able to represent me very ably at that function in Thunder Bay, I believe at Old Fort William, to outline again the interest we have in making sure the people of northern Ontario receive at least in part the same services at the same cost as do the people in southern Ontario, that being TVO off air at no charge to them.

They get it down in southern Ontario, and as the member for Rainy River's very vocal colleague from Emo—what is her name?

Mr. T. P. Reid: Ida Olsen.

Hon. Mr. Bernier: Ida Olsen; a very charming person who has written me numerous letters. In fact, I was very pleased to receive a bouquet of red roses the day we made the announcement about TVO service being extended to northern Ontario. We thank her for that, of course, because she has made a tremendous contribution and she has been a great supporter of TVO. I think she has done exceptionally well, and I know the member for Rainy River is very proud of her contribution.

With those remarks, Mr. Chairman, I think I have answered all the members' comments. If I have not, maybe they will bring it to my attention.

Mr. Stokes: Mr. Chairman, The minister gets all the roses and we do all the work. He was not anywhere to be seen. We were the ones there over the weekend: the member for Fort William, the member for Rainy River and even the member for Port Arthur (Mr. Foulds). The minister was flying over at about 10,000 feet, I think.

Mr. T. P. Reid: Waving his roses—throwing his roses out of the airplane.

Mr. Stokes: Yes. However, we do welcome the announcement; it is something that all of us have been advocating for a good many years and finally we are bringing those isolated communities in northern Ontario into the cultural, educational and informational mainstream of Ontario society. It is long overdue, but, for the part the minister played in it, I want to thank him on behalf of my constituents.

I want to follow up briefly on something the member for Rainy River said with regard to economic development and the stimulus provided by this ministry. I want to be very specific about the northern Ontario rural development agreement.

I have written letters and I have had phone calls from the people in Sault Ste. Marie responsible for that program. It took me about eight months to get the criteria for it. They have a tourist component, an agricultural component and a natural resources component. Every time I thought I had a focus on the intent of the program, I would send an application or advise one of my constituents to send an application to Dave Head from Sault Ste. Marie, saying: "I think this would qualify." I have not found one yet that fits the very narrow parameters—if that is the right word—that have been laid down by the agreement.

I know the minister has announced something like 18 or 23 different programs approved for assistance under the NORDA program but none of them, that I have been able to ferret out, from entrepreneurial personnel in my riding.

Let me give one example. I have a chap by the name of Mr. Lankimaki of rural route 1, Hurkett, who has three different schemes whereby he thinks he can qualify for assistance under this program. A letter was sent to Mr. Lankimaki and signed by Mr. Head, and it says:

"I am sending you a kit regarding the Canada-Ontario rural development agreement. After you have read through this material, you may wish to make further contact with us or apply under those programs which appear to address your needs.

"If I can be of further assistance, please let me know.

"Yours truly, David Head."

4 p.m.

I just got a letter this morning—I do not have it with me but it is down in my office—saying they have looked at the schemes and they do not

meet the criteria because of market conditions. I do not know whether this is somebody in the Ministry of Northern Affairs or somebody who has taken the advice of the Northern Ontario Development Corp., whose guidelines I think you use for the administration of this program and for approval of funding.

This fellow has made three excellent proposals. I do not know what it is we have to do to convince people that they should have faith in northern entrepreneurs. They do not go into these things blindly. They are spending their own time, money and energy. Sure, they need some assistance, a little leg-up if you will, but we get somebody who really does not know what he is talking about saying to these entrepreneurs: "We do not think this is a good idea. Come up with another one." They go back, run it through the mill, come up with another idea and then they say, "No, we do not think that is a good one either."

If you do not think they are good, why do you not come up with some entrepreneurial know-how? It is frustrating for these small businessmen in the north who are trying to create employment, manufacture products and provide services to be thwarted at every turn.

I know that is not the intent of these programs. The intent of these programs is to stimulate economic development, but I think the terms of reference are much too narrow. I do not know where they are conceived. As I said in my opening comments, it seemed to take months after the Board of Industrial Leadership and Development made the announcement to provide some money for rural economic development to find out that it does not seem to matter what these small businessmen and entrepreneurs come up with or conceive. The answer is always, "No."

I know it is frustrating for me and it must be doubly frustrating for them. The minister thinks he has all the answers in this northern Ontario rural development agreement program and these other schemes. He has not even announced the criteria for the economic development programs for assistance to the local service boards for unorganized communities. We still do not know what the criteria are. We know he is going to provide 100 per cent of labour costs up to \$7,500 for each single applicant and 25 per cent, I think it is, for material costs, rental of equipment or that kind of thing.

But what kind of programs will they be? Are they just going to be make-work programs or are they going to be schemes that will have an

ongoing benefit to the community rather than just a cleanup? I think these are the ways in which the minister can assist the small entrepreneurs in these communities to get a little business going so that eventually we will become self-sustaining and it will have a ripple effect right through the economy of northern Ontario, rather than a one-shot deal where the minister is just going to clean up some garbage or debris, make a fire-break or do something like that. It should be something with a lasting, beneficial effect for the northern economy.

I want to find out something from the minister in his role as an expeditor, a co-ordinator, a communicator. My colleague the member for Nickel Belt (Mr. Laughren) said the minister and he had an exchange in my absence on Friday about a difference of opinion between him and me with regard to the minister's function in that regard. I want to report to the minister there is no difference either ideologically or in any other way between the member for Nickel Belt and myself when it comes to the minister's intervention with regard to Hydro rates in northern Ontario; absolutely none.

Hon. Mr. Bernier: But he admonished me for doing it.

Mr. Stokes: No, I do not think he did. He just wants to see some results.

Hon. Mr. Bernier: He admonished me for doing it. He said it wasn't my role.

Mr. Stokes: I think it is your role. He convinced me that is what he had said on Friday. He felt it was your role and he just wanted to see some results. That is all.

I want to read a letter into the record. It comes from Kapuskasing. Listen, écoutez bien. It is dated May 16 and it is addressed to the Treasurer (Mr. F.S. Miller). It says:

"Taxing the common people and the poor for the benefit of the rich is a very old tactic that really works to create a climate of bleeding for the cause. In the latest provincial budget you cleverly avoided taxing the multinationals, internationals, banks and insurance companies, many of whose origins and transferability of expenses and incomes it is impossible to follow. Subsidizing the functions of multinationals, banks and insurance companies at the expense of the common people is unfair, detrimental, inflationary, and increases unemployment at the expense of directing the multiplier effect towards and for the benefit of the corporations, banks and insurance companies.

"Certainly you must see the statistics and

observe that it is the transactions of the above parties and not the expenses of the common people that are responsible for the provincial deficit and loss of revenue. Are there that many fringe benefits to the members of key supporters of the Blue Machine that caused you to take the extreme position that was hinted at for a good number of years? The basic law of life, economically and socially, 'Do unto others as you would like them to do to you,' also applies to finance ministers and leaders of multinationals, banks, insurance companies, whether they be foreign or Canadian.

"What control the multinationals, banks and insurance companies did not already have over the people, the provincial government gave them by taxing labour costs. This is a devious movement to perpetuate the throw-away society mentality as well as to make us, the people of Ontario, even more dependent on corporations for goods and services we could be doing for and by ourselves. We want real growth, not apparent growth, and that means dealing with root causes and not playing around with the symptoms." That is from a tax-paying citizen, and I am not going to reveal his name, but he lives in Kapuskasing.

I want to find out, in addition to my earlier comments, about the advocacy role this minister plays on behalf of northerners, whether it be the nature of the budget that was brought down, whether it be the seemingly discriminatory hydro rate policies of Ontario Hydro or whether it be the indifference with regard to the unusually high costs for northern communities. We have a task force that has been out for about eight months studying this very bothersome but complex problem, and as I said in my opening remarks, we have places in northern Ontario where they are paying \$5 a gallon for gasoline, \$2 for a loaf of bread, anywhere from \$2.25 to \$2.50 for a dozen eggs, 50 cents for an apple, 50 cents for an orange, and on it goes. The minister knows that.

In the minister's opening comments he sent over to us an annual report of the northwestern health unit school mobile dental treatment program. This is fine. It is working well in Kenora-Rainy River, but I do not happen to represent Kenora-Rainy River.

Mr. T. P. Reid: Them's the breaks.
4:10 p.m.

Mr. Stokes: Yes. I was sent down here to represent the people from Lake Nipigon riding, the largest riding geographically in Ontario.

It is fine for the minister to say everything is okay with regard to the provision of dental services in northern Ontario because you have initiated a program of mobile dental clinics under the auspices of the Kenora-Rainy River District Health Council. That is fine, but I want the minister to address what I have been talking about for many months and years, places like Savant Lake, Pickle Lake, Armstrong and a lot of the northern communities that are not accessible by that van. What are you going to do for them? All I am saying is I want more of the same.

I want to find out whether the minister will broaden the terms of reference of the task force looking into the high costs in the far north, that is, for areas accessible only by air. I have had some talks with members of that task force and with some of the air carriers in the north. We all have similar concerns about not wanting to destroy the good things we have in the north.

I would like to presume to speak for those northern communities in terms of the beneficial effect of shipping essential goods by way of Canada Post out of places like Nakina and Pickle Lake as they are doing for furtherance north of Timmins. The 13 cents they are paying by parcel post, which I am sure is going to go up, is still a far cry from the 35 cents to 75 cents per pound if one ships it under the normal charter or air carrier rate. Most of those communities think that is something that is worth while preserving and worth while building upon.

When I talk to members of your task force they say, "There is really not much we can do." It is a fact of life that gasoline costs \$5 a gallon in many of those northern communities. Bread will cost anywhere from \$2 to \$2.50 a loaf depending on where it is bought and how it is flown in.

I am sure the minister has had some discussions with members of the tax force. So that we do not come up dry, do not come up empty, I wonder if he is prepared to broaden the terms of reference for that task force. I am afraid if we do not, it will be a meaningless exercise. It will be regurgitating things we already know, things we have already told them, because anybody who cares about that problem has had some input with that committee.

Since it is very difficult to subsidize transportation in the north, we need to make sure the benefit of that subsidy gets to the people it is designed to help. The minister has said he subsidizes transportation costs via the Ontario Northland Transportation Commission. He

worked at it for two years, but it did not help the people it was designed to help. It helped the carrier but it did not help the consumer. We have to come up with a scheme that is going to assist the people who are most disadvantaged by the present way of doing business.

I can see the minister making notes, and he is going to say: "Yes, air carriers are not the only solution to the north. Let us talk about a northern roads system or a winter roads system where we can rely on the transportation of nonperishable but bulk commodities over these roads in the winter to cut down on the cost of summer transportation."

I hope my friend the member for Rainy River will listen to this, because I know I have heard him speak about a different approach to assisting people in the north. I want to refer to a study done by Frank Oberle. He is the member of Parliament for the Prince George-Peace River district. He is a Tory at the federal level. He engaged a researcher to do this study, which is called *Equity and Fairness: A New Approach to Northern Development*. I cannot believe I was the only one who got a copy of this; I am sure the minister must have a copy, and maybe the member for Rainy River might even have a copy of it.

Mr. Oberle is the member for Prince George-Peace River and he talks about northern development and an indexed northern income allowance.

Hon. Mr. Bernier: Excluding the members.

Mr. Stokes: Yes.

Granted, it is at the federal level that he is talking. Obviously, this is not something that could be undertaken only by the province; I do not think it is even something that could be undertaken only by the federal government, but I think it is another approach. Perhaps you could broaden the terms of reference for this task force and have them look into that. If we cannot subsidize transportation—maybe we should to some extent be subsidizing the transportation of passengers and goods in the north—maybe we should be looking into all-weather roads, or at least a winter road system, for purposes that the minister and I know would work to some extent.

I commend to members for their reading the scheme developed by this federal Conservative member. He calls it an indexed northern income allowance. He says:

"It is fair. It will compensate northerners for their hardships. It will resolve problems created by Revenue Canada's recent change in tax

policy. It will help stabilize and increase the northern labour force. It will give all northern taxpayers, not just an elite few, the income supplement they deserve.

"An indexed northern income allowance will encourage Canadians to move north, but it will not cause large-scale industrial development. Granting northerners a larger tax deduction will put more money into their pockets, thus increasing their effective demand for goods and services and creating more opportunities for small businesses and entrepreneurs. Economic development resulting from this increase in effective demand will respond to the needs and desires of northerners, and their values will be reflected in their purchases and investments."

"An indexed northern income allowance will give northerners greater equity and, more than any other economic policy could, will promote efficient economic development in accordance with the values and aspirations of northern residents."

That is the only reference I will make to this study, but I commend it to the minister. There are many good ideas; there is a lot of thought; a lot of research has gone into it. It may be appropriate, after you have had an opportunity to look at this report and discuss it with your people under the gallery, to see whether or not we could broaden those terms of reference and see whether that is at least another alternative to the relatively narrow guidelines handed down to the task force looking into the high cost of transportation and consumer goods in those remote northern communities north of the 50th parallel.

4:20 p.m.

In connection with this, and while I am talking about those communities north of the 50th parallel, I want to commend to the minister and his advisers the district land use planning report of the Ministry of Natural Resources, which gives population projections between now and the year 2000. At a time when we are having great difficulty holding our own in most of the well-established communities in northern Ontario, I found these population projection statistics put out by the Ministry of Natural Resources, for a variety of reasons we all know so well, but even at that, quite startling.

Let us look at the population projection to the year 2000 for the Geraldton administrative district. In 1976, the population north of the Albany River, just in the Geraldton district, was 1,902 souls. They figure by 1985 there will be 2,630. By 1990 there will be 3,065. By 1995 there

will be 3,500, and by the year 2000 there will be 3,935 people. That is over 100 per cent between 1976 and the year 2000.

South of the Albany River in the Geraldton administrative district of the Ministry of Natural Resources, the population in 1976 was 7,228. In 1985 it will be 9,054. In 1990 it will be 9,624, and in 1995 it will be 13,694. By the year 2000 they predict it will be 17,934, which is not quite 100 per cent, but almost 100 per cent.

I am wondering if the Ministry of Natural Resources shares those figures with the minister or does someone in his ministry seek out these figures? Are his staff as impressed with them as I am? Obviously, if they are even close in their population projections, now is the time we should be planning for that very dramatic increase in population.

In that area, particularly north of the Albany River, I do not think we are going to build a sophisticated road structure. I also do not think it is going to be economical to exploit the timber resources in the area much north of the Albany River. It is not going to be viable to ship those resources all the way down to Sioux Lookout, Dryden, Thunder Bay and the other well-established mill towns. What are we going to do with the people who are going to be up there?

I think it is far too idealistic and unrealistic to suggest that we will be able to integrate those people as they come along. We have not had much success up to now. We see the stance taken, particularly by the group in Treaty 9, who are going to try to paddle their own canoe to a much greater extent than is possible now.

Is the minister aware of the statistics? Does he even believe them?

Hon. Mr. Bernier: You are kidding. No.

Mr. Stokes: You do not believe them?

Right now, they are having open houses hosted by the Ministry of Natural Resources and these are the kinds of statistics they are trotting out and putting up on the wall by way of geographic and demographic studies for all the people up there. If they do not have validity, if they are unrealistic, if they do not make any more sense than the garbage being put out by the Royal Commission on the Northern Environment, let us ignore them and get on with the business of doing the kinds of things that I know the Minister of Northern Affairs (Mr. Pope) is interested in doing.

They are trotting out statistics like this. The *Coureur de Bois*, the little newspaper out of Longlac, went to the trouble of reproducing these statistics. I did not just get it out of the

district land-use planning document, or propaganda as you would probably call it. These things are being reproduced in the local newspapers up there and unless they are refuted, people have a right to assume this is what is likely to happen.

Let me get back to the overall point I was trying to make. This minister and this ministry have gained a good deal of credibility in the north because you have been an advocate on Hydro rates, of extending TVOntario's services and an advocate on behalf of people in unorganized communities. You have even assisted the organized communities in infrastructure with water, sewage and industrial parks, wherever it seems justified.

But I think you also have a commitment. When you see statistics like this being trotted out by the Ministry of Natural Resources, you should say, "Come on, you guys, pull up your socks and give us some real data."

Hon. Mr. Bernier: You don't believe that either.

Mr. Stokes: Well, you are in a better position. You have a staff of literally dozens of people around you. I have just one secretary downstairs, Cynthia, who does the work of 10 people—

Hon. Mr. Bernier: You have the same crystal ball as I have.

Mr. Stokes: But you have the resources and I think you have a responsibility to have some input.

If the Ministry of Natural Resources is saying one thing and the Royal Commission on the Northern Environment is saying something else, or in many cases saying nothing at all, having the world pass it by, we have to rely upon you and your ministry to give us the guidance and the statistical data that will allow us to plan for the future so that 15 or 20 years down the road, in the year 2000, we can say, "We were ready, we have made maximum benefit of all the opportunities available to us socially, economically and culturally." If you do that, this will truly be a Ministry of Northern Affairs.

Hon. Mr. Bernier: In response to the member for Lake Nipigon, I appreciate his comments with respect to TVOntario. As I said earlier, we all share that common feeling of satisfaction as we move into a no-charge, good service situation across northern Ontario.

4:30 p.m.

The honourable member made some reference to economic development and our thrust in the northern Ontario rural development

agreement, I have a copy of the Northern Ontario Business magazine here in my hand. As I said a few moments ago, it highlights the capital spending in the foreseeable future for northern Ontario of \$6 billion. If any of the northern Ontario members have not received a copy of that particular paper, I will make sure they receive one. It relates directly to what is happening in northern Ontario. I want to commend Northern Ontario Business for pulling all those facts and figures together and making us aware of what really is happening right across the north.

Sometimes we in northern Ontario are our own worst enemies, crying wolf and crying poverty and not realizing what really is happening around us. I might say this particular newspaper is a progressive, positive one. For a change we have a progressive, positive newspaper, and it really brings home the facts of life as they relate to improvements right across the north.

I should maybe read into the record one thrust we have been making. As I said in my early remarks, in economic development our thrust has been on a community by community basis. It is one we have responded to on an individual basis as the communities had the initiative to come forward. Just to give members an example, I have a letter before me dated April 28, 1982. It is directed to the Ministry of Northern Affairs and is from the township of Michipicoten. It reads:

"On behalf of the municipality, I would like to thank you for your contribution in guiding the economic opportunity investigation for the forest products industry conducted by Mr. Langais to its successful completion. In this regard, I would mention that the following resolution was passed at a regular meeting of the corporation of the township of Michipicoten held April 20, 1982 and that resolution reads:

"That council of the corporation of the township of Michipicoten does hereby extend appreciation to the minister and to the staff of the Ministry of Northern Affairs, notably study management co-ordinator, Dr. A. A. Lupton, for their assistance in contributing to the successful completion of an examination of economic opportunities for the forest products industry in the township of Michipicoten."

That gives members an idea of what we are doing and, as I said to the member for Rainy River, we are doing that on an individual basis. We are getting the communities interested, getting initiatives stirred up within each com-

munity and then going in with experts like Dr. Lupton and with financial resources, and pulling together an economic strategy. We hope to see some economic benefits flow from that thrust.

Just to give some idea of the economic development studies we have done and the assistance we have given to date, we are working with Armstrong. We have done the Atikokan study, the Gore Bay waterfront study, Ignace economic development strategy, Nipigon economic development strategy, Sudbury economic opportunities, Sudbury land reclamation, and Wawa economic opportunity study.

We are working with the Northwestern Ontario Associated Chambers of Commerce on the northern Ontario rural development agreement, which I will talk about in a moment. Even in Red Lake, we have assisted with the fish-packing plant in that particular community. That is just on the industrial side. We also deal with tourism and a few other things related to farming and so on.

I want to try to spell out to honourable members what NORDA is all about. Members will recall we signed this agreement back in March 1981 with some little difficulty. The federal government had been playing games with the province for six or eight months. We finally talked it into—

Mr. Stokes: That's the one you wanted to sign in Timiskaming and you had to go to Ottawa.

Hon. Mr. Bernier: That's the one. I wanted to sign it in Thunder Bay and the federal member from Sudbury, the Minister of State for Mines, was in Thunder Bay on that particular day and she said, "No. If you want to sign it, you will come to Ottawa." So I had to take two days out of my tough campaign—

Mr. T. P. Reid: So it pushed you over. If you had been away three more days, you would have won by a larger margin.

Hon. Mr. Bernier: —and fly to Ottawa to get that \$17.5-million program signed on behalf of the people of northern Ontario. But we signed it in March 1981. It is a specific program dealing with a number of areas. It is jointly funded by Canada and Ontario on a 50-50 basis, and is in force from March 1981 until March 1986.

The total amount of the agreement, as I said, is about \$17 million. In addition, there is a \$1.5-million fund which is shared with the federal government through the Department of Regional Economic Expansion and the Department of Indian Affairs and Northern Develop-

ment, for projects which primarily involve or benefit status Indians.

The real intent of the agreement is to sustain, expand and diversify the economic base of the rural areas of northern Ontario. Its implementation will help to identify and encourage the establishment of new or expanded economic activities utilizing local resources and providing employment and increased income to local residents.

Basically, that means it applies to rural Ontario, not to the urban areas such as North Bay, Sault Ste. Marie, Timmins, Sudbury or Thunder Bay. It does not apply to the five major urban areas but to the entrepreneurs in rural Ontario, basically.

The honourable members know there are many small entrepreneurs in northern Ontario who can make widgets and make them extremely well, but when it comes to looking after the administration, to expanding or to marketing that particular product, they are at a loss. They really do not have the expertise in the particular field, yet they can produce widgets of the finest quality.

The applications that come to us reveal many problems. Our staff sit down with these people and try to work out the best possible approach to expanding or improving their operation. That takes considerable time; often we have to go back to them three or four times. The program itself is designed to pick up what falls between the Northern Ontario Development Corp. and all the other provincial or federal programs, and it takes time to administer it.

Mr. Stokes: I hope you are right in that.

Hon. Mr. Bernier: It is supposed to. We think we are getting it into shape now. It has been taking us anywhere from three to four months to get a turnaround in some of these applications. The assistant deputy minister from Sault Ste. Marie, Mr. Herb Aiken, informs me they have streamlined the system because of their own internal concern.

Mr. T. P. Reid: It takes three and a half months.

Hon. Mr. Bernier: No, they can get it down to two and a half months, which is a major improvement, they have had the experience of one year's operations. They think with the streamlining of the system that they can move ahead and turn that time around.

It is their desire, really, not to take the funds of the individual, the small entrepreneur, who has to put up some of his dollars. But if there is a

real risk, an outstanding risk that pulls him down completely and totally destroys him, then it does not make sense for us to put in extra funds. So, we try to be—

Mr. T. P. Reid: How many of these programs are transfers from one level to another rather than going to individuals? That is the part I do not understand. Why should the federal government give you money to run a project, or vice-versa?

Hon. Mr. Bernier: They do not. They sit on this particular committee because the northern program is co-chaired by a good friend of yours, David Graham, and Mr. Aiken.

Mr. T. P. Reid: Are there no programs where you are funding them or they are funding you that come under NORDA?

Hon. Mr. Bernier: There is the forestry agreement.

Mr. T. P. Reid: Sure. You are giving money from that group to another government ministry such as the Ministry of Natural Resources, rather than to individuals or small corporations.

Hon. Mr. Bernier: I do not know of a program where the federal government funds us and we, in turn, fund the individual. I do not know of a program without their involvement.

It is true that over the last several months we have heard the federal government complain it is not getting the visibility it would like in some of these programs where it is involved with Ontario. They would sooner go it alone. Well, so be it—as long as there is not the duplication that might develop from this type of an approach, and that the priorities and direction set by the province are not totally interfered with by the federal government's going its own way.

The concern I have is the duplication and overlapping of priorities. If they go their own way in some of those programs, it is obvious to me if they do not keep in contact with us there may be an overlap and a waste of the taxpayers' dollars, which none of us here, of course, would want to see.

4:40 p.m.

The honourable member also mentioned the recent employment incentives program I announced for the local services boards. He thought we had not spelled out the criteria, but, as I mentioned to the member for Rainy River, we announced this to the northern affairs officers just last week. That information is going out to all the local services boards and to any group that we know would be interested.

Basically there are just two very simple points. The applicant or organization must be non-profit; it cannot be a profitable operation. The project can be any project that provides a permanent physical improvement in the community and benefits the whole community. For anything that benefits the community—be it beautification, repairs to the firehall, a new roof, a paint job; anything that cleans up, provided that it is labour intensive—we will provide 25 per cent of the cost of materials through the isolated communities assistance fund. It is an excellent program, and I think anything they come up with—

Mr. Stokes: So it is a cleanup program.

Hon. Mr. Bernier: Oh yes. If they want to build a firehall, if they are prepared to put up 75 per cent of the materials cost we will put up 25 per cent, and we will pay for 100 per cent of the labour costs under this program. The maximum of each application will be about \$7,500 in labour. We are trying to keep it as simple as possible, as I said earlier, and to make it as flexible as possible to answer the employment needs of the small, unorganized communities.

The member for Lake Nipigon made some reference to my concern about the action that Ontario Hydro is taking before the Ontario Energy Board and my public announcement asking the Ontario Energy Board to consider its possible effects on northerners. I have said this in southern Ontario and I have said it in northern Ontario, and I am sure Hansard will prove me correct. The member for Nickel Belt said he thought that maybe I was going a little too far, that if I have a different opinion maybe I should meet with the Minister of Energy (Mr. Welch), as I did. The Minister of Energy is very much aware of my concerns.

As you know, Hydro is making its appeal or pitch to the Ontario Energy Board. I felt that was the place to go, and I hope that the members opposite will also express their point of view to the Ontario Energy Board. I have to say I feel very strongly that the role we are playing on behalf of northern Ontario is the right one.

I was very interested to read in the press over the weekend that the leader of the New Democratic Party, who, as we know, does not hold a seat in this Legislature, made some comment that if the rates go up in northern Ontario then I should resign, and if they go down the Minister of Energy should resign. Well, you cannot have it both ways.

Mr. Van Horne: Maybe you should both resign.

Hon. Mr. Bernier: You cannot have it both ways.

Mr. T. P. Reid: He is. He is sitting on the fence on the Inco strike too.

Hon. Mr. Bernier: That's right. So it was very interesting to read that comment. Nevertheless, I do not make any apologies for standing up for northern Ontario. I can say that with a great deal of pride.

The other thrust we have made, particularly with small businesses—I believe the member for Lake Nipigon made a comment with respect to small businesses—is our assistance in the budget, a \$60-million tax write-off over the next two years for some 250,000 small corporations in the province, many of which are in northern Ontario.

I have had several calls from small businessmen who are incorporated in northern Ontario. Many of them have said to me, "It will mean \$4,000 or \$5,000 to me." That is not a lot, mind you, but at least it is a thrust that is there in these difficult economic times. And I am pleased that the Treasurer has recognized this, because the small businesses in the north are really the backbone of our small communities. To have that sensitivity is very important, and I want to commend the Treasurer publicly for taking that stand. I know it has received kudos and support from the business community right across this province.

The honourable member, I think rightly, mentioned the excellent dental service that we have in place in the Kenora-Rainy River ridings. I would point out to him that it was through the aggressiveness of the Kenora-Rainy River District Health Council that these problems were highlighted in the ridings of the member for Rainy River and myself, as they related to school children. They did an intensive study among the smaller schools in these two areas, compared them with the needs in other areas and found that the need was exceptionally great. The report was embarrassing. There is no question about it; it was really embarrassing.

When they came forward with this suggestion, we were glad to help with our resources. This is on top of the mobile dental coaches we funded through the Ministry of Health. Now that the program is in place, Dr. Les Armstrong is doing an excellent job, as the member for Rainy River will attest, in the Rainy River area and certainly in my area in going to the schools.

It is interesting that in some areas he uses the portable dental equipment in the mobile unit or he uses a vacant room in the school. The atmosphere lends itself exceptionally well for the young people who are attending that school and need dental care. There is not the shock of going into a highly sophisticated, strange dental unit which sometimes has an effect on those young children.

The service is working and I appreciate the member's desire to have it expanded. I have to tell the member it is a pilot project that we are going to watch and monitor exceptionally closely. The operation during the first year has been completely encouraging.

I would also point out to the member for Lake Nipigon that the Ontario Dental Association is working closely with us and the Ministry of Health in providing that special need in those remote areas of northern Ontario. Dr. Brad Holmes, who was the former president of the Ontario Dental Association, informed me just last week that he has something like 250 dentists who have signified their desire to contribute a specific amount of time going to the remote areas of northern Ontario to provide that needed service.

The Ontario Dental Association is responding to that important need. If the member would supply me with a list of the communities he would like them to visit, I would in turn pass it on to that group because they are most anxious to do their public service. I think I can put it as simply as that.

The member spent considerable time discussing a point that is near and dear to both of us; that is, the high cost of transportation and living in northern Ontario. I appreciate and share his concern. At the outset, I want to say the post office has done a service with respect to the loophole that existed in its system. The innovative and creative people of northern Ontario seized on this opportunity and have been benefiting from that service. There is no question about it.

I have heard just as a rumour that the last postal increase has narrowed that gap considerably. I was informed recently that if there is another postal increase of the same magnitude, it would put the postal service out of reach and the air service would be cheaper at that point. That is something we as northerners should watch carefully and closely.

I also point out the post office has instituted further restrictive requirements with regard to packages having to be identified on the outside

and postage having to be put on the outside. It has made it a little more difficult, I think, in an effort to try to discourage some of those people from using the postal service—

Mr. Stokes: A bit of harassment.

Hon. Mr. Bernier: A bit of harassment, I suppose one could call it; I do not think it has really worked yet. I share that view of the member because I know he has been very much involved. We accept the responsibility to monitor closely any changes in the postal system.

4:50 p.m.

Finally, the member requested that we broaden the terms of reference to consider indexing northern income allowances. It may be a little late at this stage of the game to add that to our studies. Our studies have been going on for a year or two now and are in the final draft stage. I hope to have a copy of the report some time this summer. It could well be the thrust—and we should maybe consider this—of an examination separate from the one we are doing right now.

I mentioned to the honourable member that I have not seen or read the report to which he refers. I try to monitor all those that cross my desk. I even go so far as to read Dick Rohmer's thrust with regard to northern Ontario development to gain insight and ideas as to the direction in which we should be moving. But I will make it a point to follow up that point.

The member made some comment or suggestion about the Ministry of Natural Resources strategic land use plan and statistics flowing out of those discussion papers. I would say they are just that; discussion papers. He and I know they will be trotted out to the public now. They are going out for public comment and I am sure the broad list of communities MNR has indicated for these public meetings will show an excellent response.

While I am one who is always cautious about population projections, they are just that. They are guesstimates. I have seen what has happened in other parts of Ontario where we had population projections, even in southern Ontario, that have not been fully realized to this time. They are not statistics. I want to make that very clear. They are just guesstimates and projections. We will be making some examination of these figures, obviously, because we share an interest in northern Ontario as to where we are going. It does assist us in our planning process.

I am sure the comments they receive from the public in these open, public discussions will possibly change their attitude and maybe change

some of those projections that we see trotted out in the very early stages of these strategic land use plans. So it may be premature to knock them down just yet.

Mr. Chairman, I believe I have responded to all the members' comments. If I have not, maybe I could pick them up at the next round.

Mr. Van Horne: Mr. Chairman, there are a few other points I would like to raise with the minister and I hope I am not raising points that my colleague the member for Rainy River may have touched on when I was absent a few moments ago. I would like to go to those questions which may be answered rather briefly.

In the first vote, analysis and planning, there is a noticeable increase in the moneys estimated this year compared to last. I wonder if the minister could give us an indication as to why there is the large increase in that area?

Hon. Mr. Bernier: Yes, the 1981-82 authorized expenditure level was \$1,272,800. This year's estimates were \$1,613,000. There is a difference of \$340,200. I will send the honourable member a copy of this report for his records. That is made up as follows: Salary awards for a full year, the annualized cost for the remainder of 1981-82, \$53,200. The creation of centralized support function for the Toronto office and the regions in the new financial administrative services branch resulted in a transfer of funds from one of the other votes and items. We have installed a centralized support system there. The total of that centralized support system includes an affirmative action program of \$20,000, and office support supplies, \$47,000. But the big expenditure was on word processing and the teleconferencing we have.

Mr. Van Horne: Would the minister say the \$20,000 for affirmative action was part salary or all services? Could he further break down that \$20,000?

Hon. Mr. Bernier: It is part salary and part services.

Mr. Van Horne: In other words, there is a half-time salaried person there?

Hon. Mr. Bernier: Yes, part-time. If I could explain the word processing and teleconferencing structure we have now, I do not know whether the members were at the management by results 1982 program we had in the Macdonald Block, but the Ministry of Northern Affairs was used as an example of how communications can be moved quickly from various regions of northern Ontario.

The assistant deputy minister in Kenora can be in touch with the deputy minister in our office on a moment's notice through the teleconferencing system, and even through the system of typing a letter in Kenora, which comes off the system here in Toronto. The same applies to our office in Thunder Bay, to the assistant deputy minister's office in Sault Ste. Marie, and also to Sudbury. It all flows down to a central office in Toronto that answers the minister's requirements. I guess we are the most up-to-date and modern ministry in the government today in coming forward with this type of sophisticated communications package and word processing system. But that total package made up the difference I referred to. I will send the member the statement I just read to him.

Mr. Van Horne: I have another question. I am really leaning on my colleague from Lake Nipigon, who suggested this last hour should be a free-wheeling, open debate on any number of topics.

On Friday last the minister indicated that his ministry is, in many areas, a lead ministry. His colleague, the Minister of Education and Minister of Colleges and Universities (Miss Stephenson), was sitting beside him. On that occasion of Friday last, I wanted to read part of a letter while the Minister of Education was here, because it reflects a concern from a constituent in Val Caron. This letter reflects the attitude and concern of many people in other northern communities and, for that matter, in communities right across the province. With the minister's indulgence, I would like to go through this letter, which was addressed to our leader, the member for London Centre (Mr. Peterson). It says in part:

"I would like to formally protest against the withdrawal of provincial funding for noncredit continuing education programs. Adults of Ontario provide funds in the form of taxes to the Ministry of Education, thereby mandating that body to be responsible for meeting the lifelong educational needs of all Ontario citizens, young and old alike.

"We are guaranteed, by the Canadian Constitution, to be provided with 'essential public services of reasonable quality.' Due to the lack of commercial facilities, and the sparse population distribution of northern Ontario communities, the cultural and general interest noncredit programs, which have been developed through the continuing education policies of our community schools, have become 'essential' public services especially in the light of priority being

placed by all levels of government on stress-reducing leisure activities. You do not have the right to remove these public services"—and the letter goes on.

The point is that the seniors in Ontario, particularly those in northern Ontario, have come not only to enjoy but also to participate in what is generally known as Program 60. That is a program to involve those people at the age of 60 and beyond. That program, which was well received and well participated in by seniors, is in many instances in jeopardy. In my own community the board of education had a very active group and a very active program. They are now working with other factors within our community to try to make up what they lost when the Ministry of Education moved in this direction.

5 p.m.

We have some communities in the south which have a few more resources and a greater population base from which to draw. They would suffer from the ministry changing its policy and eliminating this program but these more affluent communities, with a broader base, may be able to make it up.

Does the minister, as the lead minister in a situation such as this, pick up some responsibility? Does he try to redirect people such as Mrs. Suzanne Lauzon, rural route 1, Site 8, Box 196, Val Caron, Ontario, who has written to our leader? What does he do to assist people like this? Does he redirect them, or does his ministry try to pick up the slack and accommodate programs such as this?

Hon. Mr. Bernier: Mr. Chairman, in situations like Atikokan or Pickle Lake, as a lead ministry we are usually designated by cabinet to take on a specific responsibility. In this case we would examine the thrust of the lead ministry, which is the Ministry of Education, and examine its decision in our own shop to see whether there is an application unique to northern Ontario. If there is something special, unique or different being applied to northern Ontario that is not being applied to southern Ontario, then we would approach the ministry and bring this to its attention.

We have done this on many occasions when they have applied certain things or made certain moves that have been detrimental to people in northern Ontario. Because of our small population and our vast distances, we ask them to reconsider. We do not make any big noise about it; we go to them, privately and quietly, and say, "If that is the way you are going to go, this is

what will happen in northern Ontario." Through co-operation and understanding, in many instances we are able to get them to turn it around.

We will have a look at this case to see whether there is some unique application to northern Ontario or whether it is a case of not being treated fairly and equitably. If that is the case, we will bring it to the attention of the ministry involved.

Mr. Stokes: Apropos of the minister's previous comments, Mr. Chairman, I would like to remind him of a document that has just been released by his colleague the Provincial Secretary for Social Development (Mrs. Birch), talking about the elderly in Ontario, *An Agenda for the Eighties*. She sent me a copy of this on May 21 as well as to the Minister of Northern Affairs, the Minister of Health (Mr. Grossman), the Minister of Municipal Affairs and Housing (Mr. Bennett), the Minister of Community and Social Services (Mr. Drea) and to Lawrence Crawford.

I remind the minister of a commitment he made to co-ordinate the needs for senior citizens, from which I quote the following:

"In small communities in the north it is difficult to provide a full range of services for the elderly, whether community or institutional, because of small numbers and great distances. Consequently, elderly residents have often had to move away from family and friends to obtain appropriate services. The province should seek to improve the range of services in small communities, particularly in northern Ontario. The impact would ensure that a range of services is provided in the small community and it would minimize the need of the elderly to leave the community for health maintenance and long-term care."

I sent the minister an excellent document prepared by a lady by the name of Ginger Ball in Geraldton, highlighting the specific need for extended care and chronic care beds in the community rather than having to uproot people and send them sometimes 100 or 200 miles away.

The minister had undertaken to act as an advocate, and his ministry was prepared to take on that responsibility. Of course, in the summary of recommendations contained therein it refers specifically to the Ministry of Northern Affairs, along with the ministries of Community and Social Services, Health and Municipal Affairs and Housing, and it says the province should give priority to the development of

co-ordinated service delivery to remote northern communities.

I just want to know whether the commitment made by the minister is going forward and whether there are funds in this fiscal year to provide services similar to the ones that were identified and argued for so persuasively by the report, a copy of which I sent the minister. It falls right in line with the recommendations contained in this report. The chairman of this task force on ageing was Bryce Harper. And members John Nywening, Mary Louise Gaby, David Bogart and Glen Peppiatt.

I am just wondering whether the minister can make the commitment that those services will be provided. I do not want to get off the track; I have two more items I want to talk about, but I just wanted to put that in when my colleague the member for London North was talking about the problem of ageing and the provision of services in the north.

Hon. Mr. Bernier: Mr. Chairman, I appreciate the member bringing up that subject, because it is one that is very close to us in this ministry. Dr. Fergal Nolan, as the member knows, has been working for some considerable time within the staff of three ministries. In fact, he was chairman of the staff task force that brought forward the recommendation in the report to which the member referred. It was drafted and put together within our ministry, and it was brought forward and adopted by that committee.

I want to recognize the support I received from the Provincial Secretary for Social Development (Mrs. Birch). She was most supportive of that thrust in northern Ontario, having had full knowledge of the special problems we have in the small communities and the vast distances we are located from the major homes for the aged. It was her support and the support of the Minister of Health (Mr. Grossman) and the Minister of Community and Social Services (Mr. Drea) that allowed us to make the announcement in the throne speech that these units would be developed in the smaller communities.

We have identified about 25 communities across the north that we think will apply for and could qualify for the extended care programs. These will see 20-unit facilities attached to hospitals, using the same kitchen, nursing and laundry facilities and the same administration staff, thereby providing the opportunity for these senior citizens to remain in those small

communities. I think that has been the thrust. We have seen it in Terrace Bay and Hornepayne.

Mr. Van Horne: Mr. Chairman, may I interrupt the minister while he is on that theme? The minister made reference to 20 different communities. A former candidate of ours, Mr. Ernie Massicotte from Algoma-Manitoulin, sent me some correspondence asking about the Espanola community and what was happening there. I believe the sitting member for Algoma-Manitoulin (Mr. Lane) made reference to this during the last campaign. The question put to me is, what is the status of that on-again, off-again facility in Espanola?

5:10 p.m.

Hon. Mr. Bernier: I will answer that question, Mr. Chairman, but perhaps I could complete my answer to the member for Lake Nipigon, who asked whether we have funds in our budget for his program this year.

I have said publicly, and I believe I said some time during the examination of these estimates, that while we do not have any new funds from the Treasurer identified for this program, we are shifting. Honourable members will see a shift in our thrust. It has happened over the past two years. We have gone more to the social field, with the ambulance program, the bursary program and the dental coach program. We have shifted to the social areas and the social requirements of northern Ontario.

We will continue to do that; so there will be less emphasis on such things as sewers and water. In other words, we will not be coughing up as much as we have in the past with the Ministry of the Environment, which will have to carry more of that responsibility. We will take those funds and put them into what we think is a very important program.

We hope to get two or three off the ground this year. We have applications or indications from 16 communities that are interested. As the member knows, we are putting up five sixths of the capital cost and the local community or the hospital board puts up one sixth. It will be the responsibility of the local community to raise those funds, or about 17 per cent. It is a sizeable amount of money, but all the communities we have talked to are enthusiastic about it. They see no problem with raising their portions and it gives them an involvement. We think we can satisfy the needs of those 20 or 25 communities in a five-year program.

We are being open and flexible on the criteria. The flow will be that the hospital board will

make application to the Ministry of Northern Affairs. We in turn will look at it from a needs point of view and from our point of view; then we will pass it back to the Ministry of Health, which will go to the district health council. The district health council has the responsibility to prioritize the local requirements. Once it has prioritized the local requirements, it goes back to the Ministry of Health. It makes the application for the architectural drawings, which are approved by the Ministry of Health. Then we fund it and away it goes.

I think it is fair to say that we do not have the expertise within the Ministry of Northern Affairs to look at those kinds of things, but the Ministry of Health people are doing it all the time in relation to hospitals. It was obvious that was the route to go. We hope we will not have too many delays in getting them going. We are anxious to get a few in place, to get the visibility there and to provide encouragement for other communities to take the responsibility of going forward with it.

The member for London North very appropriately brought up the question of Espanola during this discussion. I am pleased the member for Algoma-Manitoulin is in his seat. He brought in a private member's bill in this Legislature, which was supported by all members of the House, to develop a special type of facility in northern Ontario that would answer all those specific needs in a one-unit complex. While I am sure the honourable member would like to speak for himself, I am told there will be a formal announcement shortly with respect to that facility.

He has done a tremendous amount of work himself. He has singlehandedly walked Espanola's request through the various ministries of government. When the final announcement is made in detail, he will be the one who should properly receive all the bouquets for a job well done. It will answer the needs of the people of Espanola. As we would say on this side of the House, it is keeping the promise.

Mr. Haggerty: It is the only one.

Hon. Mr. Bernier: No. He made that commitment as he has made other commitments in his riding; they have always been lived up to, because he is a man of responsibility and integrity. He looks after his people exceptionally well. I was pleased to be part of the discussions we had with the member for Algoma-Manitoulin. From that came the spin-off of the program announced in the throne speech.

As northerners, we can take some pride that we have a program that was designed—dreamed up, I suppose one might say—planned and made to fit the requirements of northern Ontario in co-operation with the district health councils, particularly the Cochrane and Kenora-Rainy River district health councils. They played very important roles in bringing together this particular program. I compliment all those who were involved.

I am looking forward to the day when we, as members, can be up there cutting the ribbons on those new facilities which will see our senior citizens living in the communities they have lived in and enjoyed for so many years and do not want to move away from. There is no question about that.

Mr. Haggerty: Mr. Chairman, I want to follow up on the comments of the two members on this side and to congratulate the minister on finally providing something for the senior citizens in northern Ontario.

I want to comment on the fact that he is going to provide extended care services adjoining the hospitals. I think he has found out some of the difficulties people are facing in southern Ontario, where we have nursing homes provided by the private sector.

The Niagara Peninsula, for example, is an area where we are having some difficulties. The private sector provides nursing home care or extended services to the elderly citizens in that community. Because there is at present a shortage of beds in that area, we find a procedure has been allowed by the Ministry of Health—and I hope it does not go from southern Ontario to northern Ontario—in which the private sector is involved in nursing home care, extended care services. The licences now are being put on the market to be auctioned off. The highest bidder will purchase a bed at a price of \$10,000 to \$20,000.

In the little community of Ridgeway, in the town of Fort Erie, the beds have been purchased by a larger home in St. Catharines, but the transfer of the beds—

Mr. Stokes: Which part of northern Ontario is that?

Mr. Haggerty: Just listen to this. I hope the member for Lake Nipigon does not get into the same problem we have down in our area, where these licences are being transferred from one community to another, a distance of 30 miles, which is considered a fair distance in the Niagara Peninsula. Elderly persons will be trans-

ferred to other facilities provided by different owners.

I tell the minister and the government that I detest the procedure allowing these beds to be auctioned off at a profit. A licence gives the right to continue with an operation; it is a privilege in a sense. It should not be transferred from one person to another who wants to enlarge a large complex of nursing homes in Ontario. In a sense, that could be restricted to one or two individuals who may have the capital and who can buy these beds at a particular price.

When this is done, and a price tag is put on these nursing home licences to transfer them, the end result is that the cost to the persons in these homes or to the families who have to pay the cost is passed on to the taxpayers. So we are actually not saving any money at all in allowing these licences to be transferred under the circumstances, and yet the Ministry of Health is permitting it, knowing full well it is causing difficulties in certain municipalities.

As the ministry is well aware, and I have to commend the minister again for assisting municipalities to become organized in northern Ontario, more services are going to be demanded by municipalities that establish themselves as corporations. I know full well that additional funding is going to be required from some government ministry, particularly the Ministry of Northern Affairs.

The minister is going to have to set aside more money than has been appropriated under his present estimates to provide the services other members have talked about where people from the southern part of the province seem to have everything going for them. I suggest the minister will have to establish more funding for those areas to provide the additional services required for newly formed municipalities.

I just bring those things to the minister's attention. We do have problems relating to extended care services, which are being severely damaged in southern Ontario. I suggest that the minister should be careful when he gets into this area. When we look to the private sector to provide that care, we need to be sure it is not being done to make a huge bundle of money at the taxpayers' expense, because that is what is happening in southern Ontario.

5:20 p.m.

The homes for the aged program in the regional municipality of Niagara has always done an exceptionally fine job for senior citizens in that area through their foster care

program. Aged people are placed with persons who may want to care for four or five individuals. This is an approach the minister should be looking at in northern Ontario. There may be people who have large enough homes that they can take in four or five individuals under the homes for the aged program. They would be providing a needed service to senior citizens who are mobile and can manage themselves but who have difficulty living by themselves. This is an area the minister should be looking at for smaller communities.

Hon. Mr. Bernier: Mr. Chairman, I appreciate the member's contribution to these estimates and his concern about the future of the nursing care program.

The program we have devised for northern Ontario means these facilities will be, as he correctly point out, attached to hospitals. Such projects will be funded five sixths by the Ministry of Northern Affairs and one sixth by the hospital boards and will be operated by the hospital boards. The per diem allowance which the Ministry of Health will provide to the board will look after operating costs, but there will not be any private involvement; the facility really will be an extension of the hospital itself. I think the member's fear can be set aside, because there will be no question of the beds actually going up for sale.

I want to put one thing on the record as a matter of interest to my colleagues from northern Ontario. We have some exceptionally fine homes for the aged across northern Ontario that have served our communities exceptionally well. There is no question or argument about that. But we have a growing elderly population in northern Ontario, and we have some statistical information to prove that.

I am going to make sure the member gets a copy of that report, which was prepared within our ministry. It will give him some indication as to where we are going in the next several years in caring for the ageing population. It was that report which prompted us to move as quickly as we did.

The point I want to make is that the contractual arrangement the municipalities have with the homes for the aged will not be affected one iota. In other words, if the town of Sioux Lookout, as an example, has a contractual arrangement with the home for the aged in Kenora to pay a certain part of their operating costs, whatever that may be, it will remain intact even though they will have, it is hoped, 20 beds tied to the hospital in Sioux Lookout.

The community responsibility of the Kenora Home for the Aged will remain intact, as will that of the town of Dryden. I have made that very clear publicly. We cannot risk putting that institution into financial jeopardy because we are building a facility in, say, Dryden or Sioux Lookout to look after our senior citizens who require extended care.

Studies show that we can provide service locally and look after the requirements of the homes for the aged, the larger institutions that are operated by the Ministry of Community and Social Services. I want to make it very clear that we are not putting those in jeopardy.

Mr. Stokes: Mr. Chairman, I want to commend to the minister's reading another document which was on my desk this morning—it was copied to the minister—and which was prepared by the Ontario Native Women's Association. It is extremely well done. The report itself was prepared by Mildred Barrett, whom the minister knows quite well; she worked with the Royal Commission on the Northern Environment until she saw the light.

I am really impressed by their work, which is titled *The Ontario Hydro Little Jackfish River Power Development: Its Possible Effects on the Economy, Environment and Communities of the Lake Nipigon Area*. They call it a pre-action assessment.

It is extremely well done. It was done not only by consulting with their own organization, the native women's association, but also in consultation with the Armstrong Métis and Nonstatus Indian Association and the treaty Indians on the Gull Bay reserve, with the Commercial Fishermen's Association of Lake Nipigon and with those members of the Northern Ontario Tourist Outfitters Association who earn their livelihood from the orderly exploitation of the fish and wildlife and tourist potential around Lake Nipigon.

This is addressed to Mr. Chris Taylor, who is the senior communities relations officer of Ontario Hydro, the chap who is responsible for conducting open houses to apprise people of what is going on with regard to the potential for the development of hydroelectric generation on the Little Jackfish River.

This is another way in which this minister and this ministry can get involved in co-ordinating something that is going to have far-reaching effects environmentally and economically, even socially. The minister himself knows what happened. I was touring part of the province with him a few years ago and we saw the damaging effect of the damming of waters for hydroelec-

tric generation. I remember the minister and I talking about the ravages around Lac Seul. You can still see the effects of the diversion of water that went on 30, 40, and 50 years ago.

If one looks at the Ogoki diversion that made it possible to generate electricity on the Nipigon River, one can see the flushing and silting effect, the bank erosion and the detrimental effect on the spawning beds around Lake Nipigon, particularly in Ombabika Bay.

They are going to use the same river, because the Ogoki River diversion comes down the Jackfish River. Ontario Hydro is talking about operating this flow of water for 10 hours a day, then shutting it down for 14 hours and then activating it again for 10 hours. It is going to have this flushing and silting effect, this pea-soup effect, in Lake Nipigon.

All these not only are concerns of the Ontario Native Women's Association but also affect the livelihood of their husbands, whether they are commercial fishermen or engaged in tourist activities. They have some really legitimate concerns.

5:30 p.m.

I want to read a few of the conclusions reached. There are some recommendations; that is why I am bringing this to your attention. I think this is where your ministry and you personally could provide yeoman service to make sure there is adequate consultation before the fact, rather than having to take corrective measures which it may be impossible to take after the fact.

It says: "It is to be expected that Ontario Hydro, the Ministry of Natural Resources and the Ministry of the Environment will be aware of the very real concerns of the people around Lake Nipigon in regard to the proposed hydro-electric development on the Jackfish River.

"It is also to be expected that these responsible agencies of the province will take into account the accumulated knowledge and experience of the people who know Lake Nipigon best, the commercial fishermen and the tourist operators.

"Undoubtedly, the expertise and the scientific and technical engineering skills of those involved in studies preparatory to the launching of this project will identify and resolve many of the problems addressed in this report before the decision as to whether to proceed with the project is made.

"There is no longer any advantage to any sector of the society of the province, whether ordinary citizen, government agency or crown

corporation, in ignoring the environmental ramifications of such projects. Facts are facts. They are better faced and forthrightly dealt with from the outset than ignored to the point where the whole provincial community is the poorer and presented with yet another bill of expense, not just in terms of the financial cost of repairing or attempting to repair the damage done, but in terms of further deteriorated provincial patrimony, an alienated and distrustful populace and an economically and socially disrupted community, not to mention the decimation of two presently productive industries which make a contribution reaching far beyond the shores of Lake Nipigon."

It is a very well-prepared report. I am asking this minister to make himself aware of that so he can be the vehicle whereby there will be adequate consultation. If they need a few dollars to make a presentation to Ontario Hydro, I do not know why they would have to do any better than this. It is an excellent document, but if they require it in the overall consultative process, I am sure the minister will be just as impressed with the quality of the work done on that report as I was.

I want to get into another area. This was sent up by my secretary since I left my office. It gets back to something else. The minister talked about the beneficial effect of the budget for northern communities and a lot of small businesses in northern communities. There are always two sides to every coin and two sides to every argument. The minister is saying there are some small businesses throughout the province, a good many of them in northern Ontario, which benefit as a result of the budget. I want to give you the other side of the coin:

"Dear Jack:

"Enclosed you will find a protest list objecting to the tax attached to alterations and repairs done to clothing received for dry cleaning, also a letter I received from the editor of the Nipigon Gazette, Mary Gordon.

"I wish to point out this unjust tax is one dimension. Seventy-five per cent of the repairs I do"—and this is from the lady who operates this dry cleaning establishment—"are on children's clothing which is not taxable to purchase new. However, because of the rising cost of new clothing and tightening of the belt, many of my customers choose to repair and make-do another season.

"The tax on laundry soap is so unjust and creates another problem for me. I have a soap dispenser in my laundromat for which, I explain,

I purchase one case of Tide, 200 little individual boxes, and the cost is \$53. For each box I receive 30 cents, times 200; I receive \$60. This \$7 does not cover the handling or the freight.

"Early in May I purchased a new coin chute, which will take 35 cents for a box of Tide: 35 cents times 200, which is \$70. My cost per case is \$53." She has a profit of \$17 for handling and shipping.

"I now receive \$17 above cost per case, but have the price of the new coin chute to absorb, which was \$45 plus tax. I really don't think laundry soap is a luxury and should be taxed. Do you? Would you please bring these objections to the attention of the honourable Frank Miller? Thank you.

"Yours truly, Maureen Danpeer, Nipigon Coin Laundry and Dry Cleaning."

This is what Mary Gordon has to say about the way in which you people have chosen to try to gain your revenues:

"I understand there will be now a sales tax levied by you on all repairs done during dry cleaning, and I would like to voice my objection. The expansion of sales taxes to cover items previously untaxed is to my mind a regressive move, a move that results in heavier taxation on lower-income families. Everybody occasionally needs a button sewn on or a rip repaired, regardless of whether they earn \$10,000 or \$100,000 a year.

"It is understandable that government must find ways to increase revenues to cover fast-growing deficits. However, I don't believe that expanding the sales tax is the correct method. Our income tax system is at least relatively progressive. If we need to raise more revenue it should be raised via income so that the money comes from those who can best afford it. Loopholes should be investigated and blocked up. High-income families should be providing more of the financial backbone of our provincial and federal budgets.

"Raise my taxes when my income goes up, but please don't bug me with the nickels and dimes of small sales taxes that generate more jobs in the civil service and end up costing us all more in the long run.

"Thank you for the opportunity to voice my opinion."

I have got a protest signed, I would say, by not quite 100 people who are similarly concerned just in the town of Nipigon alone.

There are some small businessmen who benefit from certain parts of the budget, but it works hardship on a lot of other people in a kind of

mean and niggardly way, just pecking away at their little nickels and dimes every time they go and buy a bar of soap or some toothpaste or something of that nature. I just happen to think, as Mary Gordon does, that there is a much more progressive way of collecting these taxes.

We do not deny that it takes a lot of money to provide the services that are the responsibility of this level of government, but I think it was very mean of the Treasurer (Mr. F. S. Miller) and anybody who agrees with him to have used that vehicle, a broadening of the sales tax on essential items such as toothpaste and laundry soap. There was a better way of doing it, and I just thought I had to bring that to your attention. Those are the two things I had in mind for the moment.

Hon. Mr. Bernier: Mr. Chairman, I certainly will consider the request by the member for Lake Nipigon with respect to the Jackfish River hydro proposal. My staff tell me that Mr. Taylor of Ontario Hydro will be meeting with our staff some time later this month on a number of issues right across northern Ontario, so we will watch that very carefully.

I think there may well be a role that the Ministry of Northern Affairs can play in that particular development because we know what it means to that area, particularly Armstrong. There is no question about it: We are watching that very closely, as I said earlier in my remarks, because the diesel generating units are coming to a period when they may have to be replaced. It may well be that this is an area we should be involved in, so I give you that commitment now.

I am not here to debate the budget, but I am here, of course, to support the Treasurer. I just have to say to you in passing that while some may think he made the wrong decision, as Mary Gordon has pointed out—"nickels and dimes"—I think it is easier to deal with nickels and dimes than to deal with dollars, the large dollars, as Newfoundland has done or Quebec or Manitoba, to increase the sales tax right across the board.

While that may look neat and simple and would answer the need, the taxpayers would be paying a lot more if that was applied directly right across the board. I have talked to many people who told me they always thought they were paying sales tax on toothpaste and shaving cream. They never dreamed they were not. They just took it for granted they were. It has been highlighted now by some politicians at

Queen's Park and has been brought to their attention.

5:40 p.m.

If one looks at what the Treasurer has done in the last 10 years, he has brought back into the system what other Treasurers had pushed out. He just brought such things back in and it seems to me there should not be a hue and cry about it. The members are asking for new programs, they are asking for improvements, they are asking the Treasurer to do certain things. Even I ask the Treasurer for more funds on a pretty regular basis, so I feel obliged to support him when he has to go out and find those dollars. It is not an easy task. It is not one that any politician enjoys, raising taxes or finding ways to do it, but I have to say to the members I think his judgement was the right one and considering the times, he brought in a very positive budget.

It did things for northern Ontario. The \$19.2 million that flowed from his budget will directly affect the member for Lake Nipigon (Mr. Stokes). I believe a couple of contracts out of that \$19.2 million were accelerated because of the budget. It is a lot of money. I do not think we will get it back in the nickels and dimes that will apply through the tax on toothpaste. It will not come back to us that quickly, I can assure the members of that. Nevertheless, we are reaping the benefits in northern Ontario. The Treasurer gave us \$500,000 for the employment program in the unorganized areas, funds that had to be raised. I was glad when he responded to our request for additional funds, but he has to find the funds. I think the route he has taken is the one that was the least painful right across the board.

Mr. Stokes: I am talking about nickel and diming everybody who wants some repairs done at the dry-cleaners, but the net result of the budgetary policies is not nickels and dimes for the Treasurer (Mr. F. S. Miller) or the Minister of Revenue (Mr. Ashe). Let me tell you what the results are.

The results of the calculations are as follows: Ontario families will pay in taxes \$15.7 million more for detergent; \$2.7 million more for dishwasher detergent; \$7 million more for laundry soap and bleach; \$4.3 million more for fabric softener; \$3.7 million more for polishes and waxes; \$3.6 million more for scouring pads; \$8 million more for facial tissue; \$10.5 million more for toilet tissue; \$16 million more for plants, flowers and shrubs; \$6.3 million more for toilet soap and shaving soap; \$2.1 million more

for shaving cream; \$6.5 million more for personal deodorants; \$7.7 million more for toothpaste; \$4.9 million more for single issue magazines; and \$4.6 million more for educational supplies.

The government is nickel and diming poor, little, old ladies who are going to the laundromat, but it is not nickels and dimes by the time the government gets its grubby hands on it. It is big money.

Mr. G. I. Miller: Mr. Chairman, I have a couple of concerns. Maybe they do not fit into the direct responsibilities of the Ministry of Northern Affairs, but I would like to make these points. There are many people from southern Ontario, young farmers, who are moving to the north to help develop and open it up. We had a young sheep farmer from my riding who moved up north last year with 200 or 300 ewes. He bought several hundred acres to begin a new life. We have had many other farmers moving into the Matheson area as beef farmers. I was talking to them just recently.

I was wondering if the minister has been involved in the food terminal. What responsibility he is taking to try to assist agriculture in that area. I was speaking to this young farmer's wife only on Friday. Their names are Harley and Carol Phibbs. They have 150 head of beef cattle. They have been meeting on a regular basis trying to organize the food terminal and to get it off the ground. The indications were that they need more inspection services. Fertilizer is being trucked in as they progressively farm more intensively. Does the minister have anything to report? Is he trying to assist that industry and help these young farmers?

Hon. Mr. Bernier: I welcome the contribution from the member for Haldimand-Norfolk. I think it is very encouraging that he would show an interest in the efforts of the Ministry of Northern Affairs. I welcome him aboard, and appreciate his contribution.

Mr. Laughren: The minister's food problem is terminal.

Hon. Mr. Bernier: We will look after that terminal.

In my earlier comments we did discuss the agricultural study we embarked on. That report is complete now. It is being re-examined by the Ministry of Agriculture and Food and my own ministry. We will be issuing a guideline brochure to the agricultural community in northern Ontario, assisting them and directing them in the direction we think they should be going. The

report, if memory serves me correctly, pointed out that the food terminal we had originally anticipated or the concept we had, would not prove economically feasible in that area. There are other things that may flow from that report such as something similar to a food processing plant in the major urban areas of northern Ontario.

There is also some emphasis on self-sufficiency to stop the importation of products we could grow in northern Ontario. Many vegetables could be grown locally in the areas of Thunder Bay, Timmins or North Bay, to have an import substitution program in place.

Under the northern Ontario rural development program, the assistant deputy minister just informed me that over 600 applications have been approved to date with respect to improvements to small farming units in northern Ontario. We are serious about our involvement in the agriculture community. We have the total support of the Ministry of Agriculture and Food from the minister on down. In the next several years, I think members will see a decided improvement and a thrust in creating a larger and more supportive agricultural community in northern Ontario.

Mr. Foulds: I am glad I have been able to get into these estimates for a few moments to talk about the area of the province I love and respect very much and where I have lived all my life. I want specifically to ask the minister and his officials if they can let me know why there has been no local services board for Lappe and area yet.

I recall there was an organizational meeting that first took place on March 11, 1981. That was some 16 months ago now. At that meeting there was a unanimous decision by the residents in attendance at the meeting that they would like to go forward to establish a local services board. As the minister will recall, March 11, 1981 was during the course of the provincial election. It was amazing to find unanimity in the meeting. During such times it is always amazing to find unanimity amongst people of all stripes.

I was at the meeting. The Conservative candidate was there. The Minister without Portfolio from Timmins was at the meeting unannounced. He just happened to show up. He just happened to fly into my riding during the course of the election campaign to show up for the meeting of 60 people in the Lappe area, who always have traditionally supported me and showed their good sense by continuing to do so during the realities of March 19.

The resolution was unanimous. There was one abstention on the vote. It was very clear that the people in that area really do want a local services board, leaving aside all kidding and inflammatory rhetoric about March 19.

There seems to me to be a very unusual length of delay, because the chairman of the meeting, Mr. Rinnie, really had not heard any response. On March 30, 1982, he wrote the following letter to the Northern Affairs officer in the Thunder Bay office. Because it puts it as concisely and as clearly as anything, I might read that into the record. It will only take me one minute, because it is a short letter.

5:50 p.m.

The Deputy Chairman: Okay. There is one other person who wants to speak on this side, and we are going to take the vote at five to six.

Mr. Foulds: I understand that, but I understand that member comes from Renfrew North rather than northern Ontario.

The Deputy Chairman: Use your time. You have a moment so let us get as much as we can in.

Mr. Foulds: These are estimates, if I may say so—

Mr. Martel: Why are you going to take the vote at five to six?

The Deputy Chairman: As close to six as we can.

Mr. Foulds: It could be five after six. There have been speakers—

Mr. Martel: Just read the letter.

Mr. Foulds: "Dear Sir: Re: Local services board for Lappean area." By the way, that is an Anglicized misprinting by the post office in the first place.

Mr. Martel: I want to get on.

Mr. Foulds: I understand that my colleague the member for Sudbury East is anxious to get on and—

Mr. Martel: Read the letter.

Mr. Foulds: —I understand he has been here on many occasions and not had this opportunity.

Mr. Martel: Read the God-damned letter.

Mr. Foulds: I am being torn. My colleague the member for Nickel Belt (Mr. Laughren) says I should not be anxious about—

Mr. Martel: You should sit down while you are ahead.

Mr. Foulds: Seriously.

"It was on March 11, 1981, that the organizational meeting for the purposes of establishing a local services board in the Lappe area was held. At that meeting, for which I acted as the chairman, the desirability of forming a services board was unanimous. Since the people presented such a clear mandate, I feel obliged to pursue the matter of the establishment of the services board. Since that initial meeting, nothing was heard concerning the above-mentioned objection to the formation of the services board. I contacted the ministry on numerous occasions this winter trying to determine when a meeting was going to be held with the objector, since I wished to be present at that meeting to outline the case for the establishment of a local services board.

"Apparently that meeting with the objector, Trout Lake Campers' Association, was held last week. I am of the opinion that those residents present at the organizational meeting were not properly represented. I will be contacting the Trout Lake Campers' Association representatives to ensure that they are aware of the intentions of those present at the organizational meeting. I have been informed that the Trout Lake Campers' Association has been given a deadline of April 30 to poll their members to determine if there is indeed an objection and then to reply to the ministry. Considering it has taken over one year to get where we are today, it would be in the best interests of the residents, as well as the ministry, to expedite this matter.

"I will be looking forward to hearing from you in early May of this year."

Then there is just this note to me:

"Dear Mr. Foulds: If you can be of any assistance in this matter, the residents of Lappe and area would certainly appreciate it. Was the formation of the MNA not supposed to ensure quick action on matters concerning citizens of the north?"

Hon. Mr. Bernier: Mr. Chairman, if I may reply just briefly to the honourable member, I will likely be writing him further on this issue, but we have encountered some unusual problems in this application, particularly relating to the boundaries as to who is in and who is out. The Trout Lake Campers' Association is actively involved but my staff tell me they think the question can be resolved very soon. In fact, they have a draft letter of acceptance and approval already prepared.

Mr. Foulds: During this process, surely it would have made more sense last fall when the

objection was first received to have surveyed the campers, found out what the objection was and been in constant contact with the permanent residents who want the local services board.

Frankly, there is considerable suspicion in the area that there is deliberate delay on the part of Northern Affairs or some other ministry like Municipal Affairs and Housing because they want Gorham and Ware organized. They are worried about incorporation into the city of Thunder Bay. We have had correspondence about this before when we tried to get fire equipment assistance for the area.

What I want is a clear statement of government policy saying it is committed to the establishment of the local services board, that the residents of that area deserve it and that there will be a process whereby it is completed before next fall.

Hon. Mr. Bernier: I hope to be able to respond to the member in writing within a week.

Mr. Foulds: I know the minister will be responding to me by letter within a week, but what I would like is a commitment from him that there will be a local services board established in that area and that it will be according to the terms of the resolution passed at that widely attended meeting which was widely advertised, including to the campers.

Hon. Mr. Bernier: I would point out that there is no problem with the establishment of the local services board. We are trying to establish the correct boundaries. The boundaries are the problem. Once we have that sorted out, there will be a local services board. It is plain and simple.

Mr. Conway: I want to draw to the attention of the deputy leader of the New Democratic Party that, whether or not he is aware of the fact, for purposes of the Legislative Assembly Act I am a northern member and therefore among other things receive the additional mileage allowance. I know he will be interested to hear that. I must say he is a more vigorous inquisitor this afternoon than he was on the national television service Saturday evening, but that is another matter.

I want to draw the minister's attention briefly to an ongoing concern and anomaly in Sabine township, a part of southwestern Nipissing which is my pleasure to represent. This sees the main Hydro transmission corridor coming across from the Ottawa valley to the industrial heartland of southern Ontario, cutting that township in half

by virtue of its size and presence and leaving the local residents with a situation whereby they can look at the substation, but have no opportunity to derive power from it or from any other line.

It is a township of at least 100 people, some of whom I will admit are seasonal residents, but many of whom are long-time permanent residents. They have a main transmission line operated by Hydro running right through their backyards and are not able to have any hydro. To this day, they are without electrical service. They were recently told by the Cobden office of Ontario Hydro that, unless they come forward with a \$57,000 contribution, it will not be possible for the provincial utility to accommodate their understandable and justifiable need for that essential service.

I simply ask on short notice that the minister, through one of his staff people, try to acquaint himself with it. Mrs. Lavalley of rural route 1, St. Pierre Lake, is a very active proponent for this service on behalf of the local residents. It is something to which I feel they are entitled and I would ask that the ministry, through the North Bay office, try to do what it can to bring about the provision of support and service so the long-standing shortage of electrical supply to that township in the district of Nipissing in northern Ontario can and will be rectified.

Hon. Mr. Bernier: I would be prepared to do that.

Mr. Martel: In the case of the local services board in Estaire, something went amok there and I have written to the minister about it. Apparently it was formed, and there has been some objection.

I have asked if you can get staff in there, along

with me if necessary, in order to try to get that resolved so that board does not go down the tubes. It is imperative that it be not jeopardized because of the objection. I hope the minister is prepared to send staff in there so that we can overcome those objections which are now before us, which could prevent a local service board from being firmly established.

Hon. Mr. Bernier: Mr. Chairman, I have just been informed that our legal people are looking into the problems associated with this. We hope to have them resolved in two weeks.

Vote 701 agreed to.

Votes 702 to 704, inclusive, agreed to.

Mr. Van Horne: Mr. Chairman, while you are checking procedure, I want to remind the minister of the commitment that he made to the member for Lake Nipigon, to myself and to the member for Durham East (Mr. Cureatz). I am sure agreed that the members of the Legislature should be taken on a tour of the north so that they may better acquaint themselves with the problems of the north.

Secondly—

The Deputy Chairman: It is on the record already, is it not?

Mr. Van Horne: But there is a related point and that is a reference made by the member for Lake Nipigon (Mr. Stokes), myself and the minister about the facility in or near Quebec City that he was going to take us to. I just want that to be on the record so that he can't back out of the commitment to take us to both places.

On motion by Hon. Mr. Gregory, the committee of supply reported certain resolutions.

The House adjourned at 6:03 p.m.

CONTENTS

Monday, June 7, 1982

Oral questions

Elgie, Hon. R. G., Minister of Consumer and Commercial Relations:	
Sales of duty-free liquor , Mr. Newman.	2402
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Hydro borrowing , Mr. Peterson, Mr. Foulds.	2393
Tax burden , Mr. Peterson, Mr. Cooke, Mr. T. P. Reid.	2395
Assistance to home owners , Mr. Foulds, Mr. Peterson.	2397
Tax burden , Mr. Cooke, Mr. Laughren, Mr. Kerrio.	2400
Job creation , Mr. Wrye, Mr. Cooke.	2403
Assistance to farmers , Mr. MacDonald.	2404
Ramsay, Hon. R. H., Minister of Labour:	
Employee health and safety , Mr. Martel.	2401
Affirmative action , Ms. Bryden.	2403
Walker, Hon. G. W., Minister of Industry and Trade:	
Buy-Canadian policy , Mr. Boudria, Mr. Foulds.	2400
Welch, Hon. R. S., Minister of Energy:	
Hydro rates , Mr. Foulds, Mr. Peterson, Mr. MacDonald.	2396
Hydro staff , Mr. Kerrio, Mr. Foulds.	2399

First reading

Peer and Smith Limited Act , Bill Pr23, Mr. Brandt, agreed to.	2405
---	------

Committee of supply

Estimates, Ministry of Northern Affairs , Mr. Bernier, Mr. T. P. Reid, Mr. Stokes, Mr. Van Horne, Mr. G. I. Miller, Mr. Foulds, Mr. Conway, agreed to.	2405
---	------

Other business

Written questions , Mr. T. P. Reid.	2389
Facilities for Metro vigil , Mr. R. F. Johnston, Mr. Wiseman.	2389
Appointment to Board of Internal Economy , Mr. Speaker.	2390
Visitor , Mr. Speaker.	2390
Withdrawal of unparliamentary language , Mr. Nixon, Mr. Martel, Mr. Grande, Mr. Van Horne, Mr. MacDonald.	2390
Government jet , Mr. Bradley.	2390
Death of Kim Anne Popen , Mr. R. F. Johnston.	2390
Royal assent to certain bills	2405
Adjournment	2429

SPEAKERS IN THIS ISSUE

Bernier, Hon. L., Minister of Northern Affairs (Kenora PC)
Boudria, D. (Prescott-Russell L)
Bradley, J. J. (St. Catharines L)
Bryden, M. H. (Beaches-Woodbine NDP)
Conway, S. G. (Renfrew North L)
Cooke, D. S. (Windsor-Riverside NDP)
Copps, S. M. (Hamilton Centre L)
Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
Eaton, Hon. R. G., Minister without Portfolio (Middlesex PC)
Elgie, Hon. R. G., Minister of Consumer and Commercial Relations (York East PC)
Foulds, J. F. (Port Arthur NDP)
Grande, T. (Oakwood NDP)
Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Johnston, R. F. (Scarborough West NDP)
Kerrio, V. G. (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
MacDonald, D. C. (York South NDP)
Martel, E. W. (Sudbury East NDP)
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
Miller, G. I. (Haldimand-Norfolk L)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Peterson, D. R. (London Centre L)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Reid, T. P. (Rainy River L-Lab.)
Stokes, J. E. (Lake Nipigon NDP)
Turner, Hon. J. M., Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Walker, Hon. G. W., Minister of Industry and Trade Development (London South PC)
Welch, Hon. R. S., Minister of Energy (Brock PC)
Wiseman, Hon. D. J., Minister of Government Services (Lanark PC)
Wrye, W. M. (Windsor-Sandwich L)



Ontario

No. 68

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Tuesday, June 8, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, June 8, 1982

The House met at 2 p.m.

Prayers.

COMMISSIONERS OF ESTATE BILLS

The Acting Speaker (Mr. Cousens): I beg to inform the House that the clerk has received from the commissioners of estate bills their favourable report on Bill Pr19, An Act to revive the Calabogie Asbestos Mining Co. Ltd.

STATEMENTS BY THE MINISTRY

HEALTH PROTECTION BILL

Hon. Mr. Grossman: After question period today, I will be introducing major legislation designed to renovate the structure of public health in this province in order to better serve Ontarians in the future.

The essence of this new legislation is the relevance of prevention as the key strategy on both medical and financial grounds. Our goal is to emphasize preventive medicine through campaigns which stress prevention through immunization, home care and other community-based programs.

Our 43 local public health units are agencies whose primary mission is the prevention of disease rather than treatment. They will be responsible for implementing a basic core of preventive health services, as outlined in the act, to their communities.

The proposed new Health Protection Act will also clarify the role of the board of health and the medical officer of health. It will update the language of the law and delete obsolete or archaic provisions.

The reason for this reform is that the legal framework for public health to this day remains the statute of 1882, which created the provincial board. Numerous amendments have been made through the years, of course, but the social environment and the scope of public health practice have changed so radically that a modern statute has become essential.

The bill will put in place a set of seven standard services in all parts of Ontario. These standards are in the following areas: community sanitation, communicable disease control, preventive dentistry, family health, home care, nutrition and public health education.

The wording of the requirement, for the boards to provide "or ensure the provision of" the designated services, is intended to encourage them to work with other local agencies in planning and delivering programs.

Program details will be spelled out in regulations and guidelines now being developed on the basis of a series of committee reports. These committees, which formulated proposals in each program area, included representatives from health disciplines employed by boards of health as well as ministry officials. In effect, then, the core proposals have largely been designed by practitioners who will be delivering the programs.

Some examples of the core programs which have been proposed are as follows:

Core services to help prevent communicable disease by strengthening the responsibility of the medical officers of health for immunization levels in the community. The health unit would have to ensure the provision of immunization services and information through regular clinics and effective links with family doctors.

Boards of health would be required to offer fluoride therapy, oral hygiene and dental education services to school children.

The family health core program will include a range of services covering the entire life cycle, from prenatal through to geriatric.

Most health units, for example, will offer childbirth education classes. This would be required of all. In addition, local boards would be responsible for evaluating the hearing and vision of every preschool child and for assessing each child's health upon school entry. Public health nurses would be responsible for identifying, assessing and monitoring high risk elderly persons in their own homes.

A growing interest in personal fitness among all age groups is prompting many people to seek information about diet and nutrition. Yet only two thirds of boards of health offer adequate nutrition programs. That would change under the core proposals.

Public health education is a further program to emphasize the preventive aspects of health. Boards of health would offer programs in the prevention and management of lifestyle diseases and serve as centres for information on home accident prevention.

As the ministry has announced previously, the core requirements will be implemented in phases. Phase one will be introduced across the province in one year. Subsequent phases can be introduced over a further period of four or five years, giving particular weighting to local priorities and timing.

This will give those health units which are below standard some time to adjust. The great majority of units receive 75 per cent of their funding from Queen's Park, totalling \$79.7 million this fiscal year, more than triple the level of a decade ago.

By establishing province-wide standards, we fully recognize the creativity of local public health boards and staff who have in fact originated many of the programs which will now be extended province-wide.

Other existing programs will continue and local boards will have the option of introducing additional programs in response to local needs. The ministry's objective is simply to establish a clear minimum standard of services, services which are viewed as fundamental by public health opinion.

In short, the new Health Protection Act will create a solid legislative base for the public health system in the decades to come.

I want to pause to indicate that we have achieved this objective today because of the determination and dedication of my predecessor, now the Minister of Agriculture and Food (Mr. Timbrell), to modernize the field of public health.

As part of the process, hundreds of briefs were submitted and thousands of interested parties co-operated with the ministry. I believe this bill is an excellent product of a thorough consultative process. None the less, it is quite possible that some people, including some regional municipal chairmen, will feel that still further input is required. I trust the members of this assembly will provide that opportunity during the committee stage of the bill.

For our part, the government will continue to listen to input through the committee stage with a view to ensuring that we complete our task with a workable state of the art piece of public health legislation.

In the end, we will have the finest public health legislation and the finest public health system on the continent.

2:10 p.m.

CONSTRUCTION LIEN BILL

Hon. Mr. McMurtry: Mr. Speaker, later today

I will be introducing for first reading the Construction Lien Act, a bill to replace the Mechanics' Lien Act to protect the interests of those who supply services or materials to the improvement of real property.

On April 20, 1982, I tabled in this assembly the report of my advisory committee on the draft construction lien act. The bill I will introduce later today is almost identical to the committee draft legislation set out in the report.

I will therefore not take up the House's time to repeat in detail the provisions of the bill. A copy of my April 20 statement setting out the bill's major highlights will be attached to today's statement for the information of members.

This bill was developed in consultation with all segments of the construction industry. Indeed, the consultative process that preceded the introduction of the bill was the most far reaching ever conducted in connection with lien legislation.

The bill is the first total rewriting of the lien legislation in its 112-year history. It represents a concerted effort to bring the drafting of the act up to today's standards.

In reviewing suggestions for amendments to this bill, the ministry is eager to make technical revisions to improve the operation of the bill when enacted. However, substantive changes, because they may affect the delicate compromises which have made this legislation possible, will not be made without compelling reasons for doing so. Any significant change to the legislation would likely have the effect of denying the legislation the support of some interest in the industry.

This bill is not introduced as a panacea for the ills of the construction industry. However, I strongly believe that its clearer and more balanced provisions will prove helpful to all interests in the construction industry and I look forward to its enactment in the fall of 1982.

ASSESSMENT APPEALS PROCEDURE STATUTE LAW AMENDMENT BILL

Hon. Mr. McMurtry: Mr. Speaker, also at the appropriate time today I will be introducing the Assessment Appeals Procedure Statute Law Amendment Act, 1982.

The purpose of this bill is to overcome problems of delay that have developed in the existing assessment appeal process. Our new system will ensure that property owners who wish to exercise their full rights of appeal have a much quicker and more efficient way of making

sure the assessment on which their taxes are based is fair and proper.

Under the existing Assessment Act, persons may complain to the assessment review court that they were assessed too high. An appeal lies from the decision of the assessment review court to a judge of the county or district court with a further appeal to the Ontario Municipal Board.

This three-level process to deal with appeals on questions of fact has resulted in significant delays. In particular, a backlog of cases has developed before county court judges.

The bill would remove county court judges from hearing assessment appeals on matters of fact. In future, appeals from the assessment review court would be taken directly to the Ontario Municipal Board.

A special division of the Ontario Municipal Board would be established to hear these appeals. In addition, appeals on matters of fact currently before county court judges that have not been set down for hearing would be transferred to the OMB.

By taking appeals directly to the OMB, the revised appeal procedure would reduce delays and expense. It would also take advantage of the OMB's existing expertise in assessment matters.

The bill does not alter the procedures under section 50 of the Assessment Act, whereby questions of law relating to an assessment may be submitted, at any stage of the appeal process, to the county court or the Supreme Court. We have found that this procedure continues to work satisfactorily. In particular, ready access to the county court for the determination of legal issues is desirable.

As members know, my ministry is striving to make the justice system more accessible to and convenient for the public it serves. This bill I will be introducing is part of this process of law reform and administrative streamlining.

Further, my ministry and the Ministry of Revenue have already had discussions on the ways in which all property owners in Ontario can be informed of the new appeal procedures and ways in which they can exercise their rights in this regard.

Finally, the bill should be of particular interest to my friend the member for Waterloo North (Mr. Epp). The bill is similar in many respects to the one that he introduced earlier this spring, and I would like to commend his efforts to reform the assessment appeal process. I look forward to his support as well as the support of

the other members of the House in making these important amendments.

MEMBERS' ANNIVERSARIES

Mr. Van Horne: On a point of order, Mr. Speaker: On June 9, 1977, the citizens of Ontario went to the polls and decided on their provincial members. They re-elected some and elected some new members. Of those newly elected in that year, those who in political circles are called "the class of 1977," 16 members are still in this House. They will be celebrating their fifth anniversary as members of this Legislature tomorrow.

I think it is in order to indicate that they are the member for Durham West (Mr. Ashe); the member for Ottawa West (Mr. Baetz); the member for St. Catharines (Mr. Bradley); the member for Hamilton Mountain (Mr. Charlton); the member for Windsor-Riverside (Mr. Cooke); the member for Durham East (Mr. Cureatz); the member for York East (Mr. Elgie); the member for Waterloo North (Mr. Epp); the member for Fort William (Mr. Hennessy); the member for Armourdale (Mr. McCaffrey); the member for Kent-Elgin (Mr. McGuigan); the member for Cochrane South (Mr. Pope); the member for Wilson Heights (Mr. Rotenberg); the member for Carleton-Grenville (Mr. Sterling); the member for Simcoe Centre (Mr. G. W. Taylor), and that wonderful member for London North (Mr. Van Horne).

[Later]

Mr. Laughren: On a point of privilege, Mr. Speaker: I was pleased to have it pointed out that about five years ago certain members of this chamber were elected. I think you would also like to know that 27 years ago tomorrow, the member for York South (Mr. MacDonald) and the member for Wellington South (Mr. Worton) were elected to this chamber. I am sure the members would like to make them feel they are still welcome here.

CORRECTION OF RECORD

Mr. Boudria: Mr. Speaker, I rise on a point of privilege to correct the record. Yesterday, the Minister of Industry and Trade (Mr. Walker), in a reply to one of my questions with regard to the "We are proud to be Canadian" coins, replied as follows:

"Mr. Speaker, I raised this question with the Minister of Intergovernmental Affairs on the evening that they were handed out"—referring to the coins—"which was, of course, the day before the constitutional effects took place

several weeks ago. At that time, it was indicated that was the only company that within the time frame that was there could produce them in time." This meant, of course, that the coins could be produced only by the American company.

The Acting Speaker: I am questioning that this is privilege. I think there are other ways for you to raise this, so I am ruling this out of order.

Mr. Roy: Give him a chance to finish.

The Acting Speaker: I have given him a chance. I know what it is and it is not a point of personal privilege. It has been drawn to members' attention.

Mr. Bradley: On a point of privilege, Mr. Speaker: I know you would be concerned about people being misinformed as a result of something that may have been said in this House on a point of privilege. Under the title, Air Ambulance Service, there is a sentence which reads, "The jet will also be available for government business as the needs arise." This was found in a pamphlet being distributed in Hamilton West. I thought that you would want to—

The Acting Speaker: I would point out to honourable members that there are other ways to raise these points. They are not points of privilege. The privileges of members of the House have not been violated.

Does the honourable member for Prescott-Russell have a different point?

Mr. Boudria: No, Mr. Speaker, it is the same point. I am merely attempting to clarify the record as to something that was said in this House.

The Acting Speaker: The honourable member is not being given a hearing at this point. It is time for oral questions.

ORAL QUESTIONS

BUDGET PROTEST

Mr. Peterson: Mr. Speaker, I have a question for the Treasurer. The Treasurer will be aware that an interfaith group is holding a vigil on the front lawn at Queen's Park today. They have put out a press release titled, "People Are Not Disposable." I am sure he has seen it.

In that press release they point out various facts: Ontario now ranks seventh out of nine of the provinces with respect to general welfare and family benefits payments; Ontario is the ninth lowest province in per capita spending on human services in 1980; since 1970, the adequacy of social assistance income has decreased

substantially, up to 36 per cent; not a single new unit of public housing has been started in Ontario since 1975; housing generally has become increasingly less affordable for low- and moderate-income families; we are now experiencing the highest level of unemployment since the Depression; and new taxes on necessities of life levied in a recent budget burden the poor more than the rest of us.

2:20 p.m.

It goes on to say: "Social policy in our province is characterized by a callousness Ontario has not experienced in decades. We feel that the present government has betrayed the decency of the people of Ontario."

And then it has motivated people who are not generally very politically active to make this statement: "People of conscience can no longer remain silent. To do so in the face of a budget which appears to take advantage of those least able to defend themselves would be an act of complicity."

What is the Treasurer's response to these people?

Hon. F. S. Miller: Mr. Speaker, I obviously accept the sincerity of their reaction to the measures in my budget, or the policies of the government. I understand that reaction because these people are charged, as few of us are, with the responsibility of dealing with many of the people who have very real problems of all types, including income problems.

I respect their right to come here and tell us that they do not agree with this government's policy. I have to say that I depend on my colleagues in cabinet and on the other requests that come before us as a government to determine whether we are or are not being fair; and I believe in all sincerity that we are.

Mr. Peterson: I remind the minister that these are people who generally spend their time charged with keeping people's souls and who have now been motivated into political action because of the budget the Treasurer brought in.

I would suggest to him that he has made a major miscalculation, that he personally does not fully understand the impact of his regressive budget on a number of sectors across Ontario's society and that it is far harder on many people than he understands.

I would ask him, on behalf of them, on behalf of thousands of families across this province who have been hit and on behalf of everyone else to allow that budget, that Retail Sales Tax Amendment Act, to come before a committee

of this Legislature in order that people can make their representations to the government and so that he will fully understand what he is doing, rather than, as I suspect, operating from an uninformed point of view.

Hon. F. S. Miller: Mr. Speaker, I sense that the only question in this statement was would I bring it before a committee of the House. I would only ask the Leader of the Opposition to turn to his right and ask his colleague on his right whether that follows the normal procedures of this House.

Mr. Peterson: He totally agrees with that.

Hon. F. S. Miller: I am sure he does at this point because I respect his loyalty to his leader and to his party. I simply sense that all of us have understood the ways that governments survive or fall on the budgetary policies of governments. They are well established, and I believe in the interests of uniform—

Mr. Peterson: Call an election on it, then, if you think it is so great.

Hon. F. S. Miller: Why should I call an election? I do not call elections, my Premier does.

Mr. Foulds: Mr. Speaker, surely the vigil outside brings to our attention not merely the fact that governments survive or fall on a government budgetary policy, but that people in our society survive or not on a budgetary policy.

The Treasurer will remember that last week I asked him a question about benefits for people on welfare assistance, and he will recall that he said, "I have great confidence"—

Mr. T. P. Reid: Question.

The Acting Speaker: Question.

Mr. Foulds: I am taking about as long as the Leader of the Opposition took, and I am doing so because I believe that this matter is a matter of urgent public—

Mr. T. P. Reid: I am saying the same thing as you bears over—

The Acting Speaker: Proceed with your supplementary question.

Mr. Foulds: If the financial critic for the Liberal Party does not believe the poor are—

The Acting Speaker: Order. You have an opportunity for your supplementary.

Mr. Foulds: The Treasurer will recall that he said, "I have great confidence in my colleague the Minister of Community and Social Services (Mr. Drea) to make recommendations to cabi-

net." Will he tell us whether his colleague has made recommendations to improve the lot of 400,000 Ontario citizens, including 40,000 children in Metro Toronto who are living in poverty and whether he has endorsed this recommendation to bring their level up to the poverty line?

Hon. F. S. Miller: The member has had at least as many years in this Legislature as I have—I suspect a few more. He is quite keenly aware of the cabinet system of government and the British democratic and parliamentary system. He knows very well that kind of question cannot be answered by me.

Mr. Peterson: I suspect the Treasurer, as a constituency politician representing, as he does, the people of Muskoka, would start to understand some of the effects of this budget on a variety of people. I know my constituency office is being overburdened with calls from people who are feeling the effects of this budget. Would the Treasurer not agree that he still has a lot of room to move inside this budget?

He has now backtracked on a couple of regulations. The Treasurer knows he has a lot of regulatory authority underneath that statute whereby he can tax certain meals and not others. He has already exempted Meals on Wheels. There are other things that should be exempted. For example, I would point to summer camps for underprivileged children. These children are going away this summer and will have to pay more for their meals.

There are a variety of other things. He has the capacity to use some executive discretion in drawing up those regulations to make his budget a little more fair, if possible. I would ask him again to take his budget to a committee to hear representations—not just from us but from people across this province. In fact, his own back-benchers could make representations, because they are not very happy with what he has done. Many are saying he made a major miscalculation on this budget. He should hear them out and then use the judgement he can within that context to bring at least some degree of fairness and equity to these taxes.

Hon. F. S. Miller: Mr. Speaker, was there a question at all in any point in that? What was the question?

Interjections.

Hon. F. S. Miller: That is the question he already asked.

Mr. Wrye: You did not answer it.

Hon. F. S. Miller: I suggest the purpose of a regulation is to carry out in detail the spirit and

intent, either of a piece of legislation or a statement that is already covered by an act and which requires some definition when the budget comes out. If we have shown pragmatism and understanding once, we have shown it many times, almost with every budget, as we adjust the wording in regulations to define the spirit and intent of a budgetary policy statement. We have done it before, we will do it again, and we continue to be aware of those.

As for my back-benchers rebelling, I would like to compare notes with what we hear from his.

Mr. Peterson: Let me remind the Treasurer that White backed off when he was wrong and McKeough backed off when he was wrong. Why does the Treasurer not be as big as they are?

ONTARIO HYDRO

Mr. Peterson: Mr. Speaker, I have a question for the Premier, in the absence of the Minister of Energy (Mr. Welch)—we have a new Speaker; I notice the Deputy Speaker has taken the chair.

I am sure the Premier has been following the discussions at the Ontario Energy Board with respect to Hydro. He must be aware that Hydro is asking for a massive increase in prices over the next three years. He also will be aware of alarming things coming out about Hydro's administration with respect to projected salary increases.

Also a number of things are being hidden. We do not know the size of the Petrosar payments and what has been squandered from that point of view. I know Ontario Hydro is paying 20 to 30 per cent more for uranium than it should be because of a contract the Premier entered into. We know Hydro has been running over budget on maintenance and administration costs for the past few years. We know the nuclear plants Hydro is building have escalated dramatically in price: Darlington has gone from \$4 billion to \$10 billion. We know Hydro's excess oil—

The Deputy Speaker: Order. I think your question is a little lengthy. I would appreciate very much if you could get to the question.

Mr. Peterson: In view of this evidence and in view of the fact that Hydro is projected to have an overcapacity of some 51 per cent by 1990, is it not time that Hydro was brought under the control of this government, honouring some of

the past commitments of the government to bring Hydro under control?

2:30 p.m.

Hon. Mr. Davis: Mr. Speaker, in the absence of my colleague the Minister of Energy, I will try to deal with the multiplicity of statements and, I guess, the one question; at least I guess there was a question.

I do not recall any commitments of the government. The Leader of the Opposition can correct me if I am wrong; I assume he is suggesting that Ontario Hydro be made a ministry of the government or something of that nature.

Mr. Peterson: On a point of privilege, Mr. Speaker: Perhaps I can correct the Premier at this point, because a commitment was made. As he will recall, Task Force Hydro in 1973 said there should be a formal contract setting out the rights and obligations of both the government and Hydro.

The Deputy Speaker: Order.

Mr. Foulds: What is this? A second supplementary?

Mr. Peterson: The government gave a commitment in 1979 that there would be a memorandum of understanding, saying that—

The Deputy Speaker: Order, please.

Hon. Mr. Davis: I guess we are getting into a semantic discussion as to what the Leader of the Opposition means by "control." If he is referring to a memorandum of agreement or to some delineation of responsibility or the relationship between Ontario Hydro and the government, that is one thing. I respectfully suggest that what he was really suggesting was some form of formal control. That is how I interpreted the question and, quite frankly, if he assesses how he asked it, I think that is a reasonable conclusion to come to.

I can recall discussions in this House, and I think I was involved in some of them, when the Minister of Energy made it quite clear that we did not feel it was in the interests of the consumers of this province to have Ontario Hydro as a ministry of the government, as suggested on occasion. I do not say it is a bad suggestion or a good one. I am just saying that to my knowledge there has never been any commitment that this would happen.

I must deal with what was not a question but a statement by the Leader of the Opposition with respect to some of the press reports and how he has interpreted some of the submissions before

the Ontario Energy Board. I have not had an opportunity to read all the submissions. I suggest, with respect, that the Leader of the Opposition is probably referring to selected statements made before the Ontario Energy Board and perhaps has not totally relied upon the submissions from Mr. Genest, the counsel to Ontario Hydro, in reply to some of those suggestions.

I think if he traces the record accurately, and if he is as open-minded as on occasion he indicates he is, I know he will want to be fair to Ontario Hydro. It is not before the Ontario Energy Board asking for massive increases. It is before the Ontario Energy Board asking for a rate increase for one year. That is all it is asking for.

Mr. Nixon: It is projected to be 54 per cent.

Hon. Mr. Davis: With great respect, that is all it is asking for. As part of the procedures of the Ontario Energy Board, the board asked for certain projections as to what the cost factors may be over a period of time. In the Globe and Mail, Mr. Claridge took some of that assessment and built it into a figure of 54 per cent over three years. That is predicated upon one's assessment of the mathematics involved and upon certain factors that may be variable and where Hydro has to make a guesstimate. Some of the most significant factors are: What will the cost of borrowing be in 1985? What will the rate of inflation be—

The Deputy Speaker: Order. I realize the question was unusually long. I think the answer has been unusually long.

Hon. Mr. Davis: With great respect, Mr. Speaker, the Leader of the Opposition raised the question of the submission to the Ontario Energy Board which reflected on salaries—

Ms. Copps: A Speaker's ruling is not debatable.

Mr. Foulds: Are you challenging the Speaker's ruling?

Mr. R. F. Johnston: Are you challenging the chair?

Hon. Mr. Davis: I am not challenging the chair at all. I am just telling you, Mr. Speaker, one cannot answer a statement that contains five or six points, if the Leader of the Opposition wants the information—

Mr. McClellan: You are just ignoring the chair.

Mr. R. F. Johnston: You are challenging the chair.

Ms. Copps: His ruling is not debatable.

Hon. Mr. Davis: I am not being called to order. I would refer to—

The Deputy Speaker: I think we will go on with the supplementary question.

Mr. Foulds: He already had one.

Mr. Peterson: No, I have not. Let me remind the Premier that he does not hesitate—

Hon. Mr. Eaton: Just ask a question.

Hon. Miss Stephenson: Don't remind anybody of anything; just ask a question.

Mr. Peterson: May I remind the Premier that he meddles in Hydro when it suits his political purposes—

The Deputy Speaker: Question, please.

Mr. Peterson: —he intervenes to equalize urban and rural Hydro rates.

The Deputy Speaker: The Leader of the Opposition will ask his question.

Mr. Peterson: He invited Hugh Macaulay to his great Board of Industrial Leadership and Development program during the election. My question is a simple one: Why does the Premier not now honour the commitment his government made in 1979 at least to have a memorandum of understanding between his government and Hydro about what the respective responsibilities are? If the Premier is going to take the credit for the things it does, then surely he has to take some of the responsibility.

Hon. Mr. Davis: Mr. Speaker, may I make one or two points? I shall try again because, with respect, the Leader of the Opposition referred to five items in his first question and I have dealt with only one. With respect, I say to him that any memorandum of understanding between this government and Hydro will not impact upon the issues he raised in his initial question, those being the question of rates and the question of salaries, which Mr. Speaker did not allow me to answer.

If the Leader of the Opposition reads the submission carefully, he will understand that the submission was made in December and that Mr. Genest made it quite clear at the Ontario Energy Board hearing that the question of salaries was under review by Ontario Hydro. The Leader of the Opposition did not say that to the public, of course, even though I think it is there in documentation, which would have been a very fair way to explain it.

I only say to the member that in spite of his questions, in spite of the critical comments he has made about Ontario Hydro, in spite of everything he has contributed to this important area of public discussion, there is one reality he cannot escape. That reality is that Ontario Hydro is still producing more efficiently, at lower rates to the consumer, than is any other comparable public or private utility in North America. He cannot escape from that.

Mr. J. A. Reed: On a point of privilege, Mr. Speaker: The Premier is probably not aware that in the state of Massachusetts electric power is more expensive than in Ontario; in the state of Rhode Island it is more expensive than in Ontario—

The Deputy Speaker: Order. The member for Port Arthur.

Mr. Foulds: I have a supplementary.
Interjection.

Mr. Foulds: On a point of privilege, Mr. Speaker: I think I have a supplementary.

Interjection.

The Deputy Speaker: Order. I recognize the member for Port Arthur. I say to the member for Halton-Burlington (Mr. J. A. Reed) that I find it very difficult to accept his request for a point of privilege on that point.

Mr. Foulds: Can I ask the Premier why his majority government killed the select committee on Ontario Hydro affairs when it was about to examine the relationship between government and Hydro and the question of making Hydro responsible to government?

Hon. Mr. Davis: Mr. Speaker, I do not think the government killed the select committee.

Mr. MacDonald: It certainly did.

Hon. Miss Stephenson: That select committee killed itself.

Hon. Mr. Davis: I think the select committee was terminated by the course of events.

Mr. T. P. Reid: Terminated by an election, by a majority government.

Hon. Mr. Davis: There is a very distinct difference. I would never terminate the member for York South (Mr. MacDonald).

Mr. Foulds: You couldn't. You wouldn't know how.

Hon. Mr. Davis: Events will terminate him. I am referring to his political career and nothing else.

Mr. MacDonald: You have been saying that for 25 years.

An hon. member: Events being Bob Rae.

Hon. Mr. Davis: The events being Bob Rae perhaps. Is he on the short end or the top end of the lottery?

Mr. Foulds: Just answer the question.

Hon. Mr. Davis: I point out to the member for Port Arthur, and I am sure the Minister of Energy will be delighted to discuss this, that the issue really is not a memorandum of understanding delineating areas of responsibility. The issue that gave rise to the stories in one of the newspapers and the discussions yesterday was the report in the Globe and Mail with respect to the possible increases, which are not being sought by Ontario Hydro at this moment. The member can check with his colleague the member for York South; he understands the procedures of the Ontario Energy Board. In fact, they are not requesting that sort of rate increase.

No matter what memorandum of understanding there may be as between the government and Ontario Hydro, there will still be the process of Ontario Hydro appearing before the Ontario Energy Board. That is not going to disappear. His party would be the last one to want it to disappear, I would hope. Certainly we will never initiate that disappearance, because it is an opportunity for others to become involved in that process.

I say to the member to ask his colleague the member for York South. He has some understanding of these issues as to what would be contained in an agreement, and it does not refer to Ontario Hydro not going before the Ontario Energy Board.

2:40 p.m.

Mr. J. A. Reed: Mr. Speaker, did the Premier indicate that Ontario has the cheapest electric power rates of any utility in North America? Is the Premier suggesting that our rates are lower than Quebec hydro rates, or those of Manitoba or Saskatchewan for that matter?

In an answer to my leader, the Premier suggested the proposed memorandum of understanding would not address the issues my leader raised. The Premier should know that we do not even know any terms of reference of any memorandum of understanding. The memorandum was promised in 1979, and it was promised in lieu of a private member's bill submitted to this Legislature by myself and entitled An Act respecting the Public Accountability of Ontario Hydro. That bill would have

followed the 1973 recommendations of Task Force Hydro, but it was turned down by the government. Instead, a memorandum of understanding was promised. Where is that memorandum of understanding?

Hon. Mr. Davis: Mr. Speaker, I hope you will allow me to answer what in fact were three questions. Did I say that Ontario Hydro rates were lower than hydro rates in Quebec or Manitoba? The answer to that is no, I did not say that.

Mr. J. A. Reed: Yes, you did.

Hon. Mr. Davis: What I said was very simple, and I said it in a way that I hoped the member for Halton-Burlington would understand. I said that Ontario Hydro is more efficient and has cheaper rates than any comparable utility in North America. I ask the honourable member to show me a utility that is roughly one third nuclear, one third water and one third oil in energy that has a cost as low as Ontario Hydro's. That is how one has to make one's comparisons.

Mr. J. A. Reed: You are wrong.

Mr. T. P. Reid: One Premier—100 per cent baloney.

The Deputy Speaker: Order. The Premier has the floor.

Hon. Mr. Davis: With great respect, one cannot compare Hydro-Québec with Ontario Hydro when Hydro-Québec is sitting with a contract with Churchill Falls for, I believe, three-mill power. That is not a valid comparison.

I point out to the member, who used to know a little bit about this, that Ontario Hydro is regarded as the most efficient utility, based on comparisons with any comparable utility in North America. He can compare it with utilities in Michigan, Ohio, New York, Pennsylvania, California or Florida, with the Tennessee Valley Authority, or with any one he cares to name; Ontario Hydro is light-years ahead of them, "light-years" being a good phrase.

With great respect to the member, in terms of the memorandum of agreement, as I said to his leader, any memorandum of agreement will not alter the kind of discussion that is going on at the Ontario Energy Board. It will not alter the procedures. It does not change the nature of the question or the answers.

The Deputy Speaker: New question; the member for Kitchener-Wilmot (Mr. Sweeney).

Mr. Foulds: No, Mr. Speaker. I have a new question; I am entitled to two.

The Deputy Speaker: Sorry; you are right. New question; the member for Port Arthur.

BUDGET PROTEST

Mr. Foulds: Thank you, Mr. Speaker. I wish to ask the Premier a very simple, direct question with regard to the vigil outside. The people participating in the vigil say in their statement, in effect, that the government is creating a class of disposable people who have no political voice and who are regarded as too few in numbers to warrant much public concern. As Premier of this province, does he feel that he has betrayed the decency of the people of Ontario? If not, why not?

Hon. Mr. Davis: Mr. Speaker, I think that is a silly-phrased question. The answer, very simply, is no.

Mr. Foulds: Will the Premier then prove his answer by responding to the requests and demands of the people holding the vigil? Will the Premier order his cabinet colleagues to bring into this House within one week an immediate 25 per cent increase in social assistance payments to recover the 1975 rates? Will he make a commitment to raise social assistance levels over the next five years at least to the poverty line? Will he increase the number of socially assisted housing units in Toronto by at least 5,000 in the next 12 months?

Hon. Mr. Davis: I think the honourable member cannot be very serious. I do not order ministers to do things. Second, any changes or increases in benefits are matters that are dealt with by cabinet as a cabinet. As the Treasurer (Mr. F. S. Miller) said earlier, it is not something I would disclose to the House in any event.

Mr. Peterson: Mr. Speaker, because a lot of the discontent of these people at the moment is focusing on the budget brought in by the Treasurer and because they say, I want to remind the Premier, "In the face of a budget which appears to take advantage of those least able to defend themselves, it would be an act of complicity to do nothing," will the Premier at least allow these people to make representations on the full effect of the budget on low-income families across the province?

Does the Premier not feel it is fair to provide that forum at least so that they would have a full hearing of their concerns with respect to the budget?

Hon. Mr. Davis: Mr. Speaker, I am not sure how the Leader of the Opposition operates. If he is looking for a forum, if he is looking for

opportunities for a hearing, I have never been reluctant, on behalf of this government, to meet with groups or individuals. I spend most of my life doing that, as do other ministers of the crown.

If this particular group wishes to give some statistical information to the Treasurer, to the minister or to me, to make their representations to the government, of course we will receive them.

Mr. R. F. Johnston: Mr. Speaker, during the last number of weeks since the budget, my colleagues and I have raised issues with respect to poverty a number of times in the House. It is an old rule that the squeaky wheel gets the grease. We have not been getting much response.

Now that there is a silent circle of concerned religious leaders out on the lawn, will the Premier please respond to them and indicate that he will address this problem of poverty in the province at the earliest opportunity?

Hon. Mr. Davis: Mr. Speaker, I have never intentionally led astray any person or any group of people. I am not going to be in a position to say to these people that we can accommodate all of the requests they have publicly stated.

As I said to the Leader of the Opposition, if they wish to make representations to the minister involved or to the Treasurer, we will be delighted to receive them.

DARLINGTON GENERATING STATION

Mr. Foulds: Mr. Speaker, can the Premier tell us whether he and his government still believe that the Darlington nuclear power station is an economically feasible proposition?

Hon. Mr. Davis: Mr. Speaker, I am intrigued. I can only assume that the acting leader of the New Democratic Party is once again putting his party on the record as being in opposition to the construction of Darlington.

Mr. Foulds: I just asked if the Premier thought it was economically feasible.

Hon. Mr. Davis: Let us not play any games. Let us not be cute. I am intrigued, and I just want the honourable member to go to Cambridge, to Peterborough, to several other communities where the industrial strength of this province is involved in the creation of Darlington and say that to the workers in those communities.

Instead of going to some of the places the member finds easy, he should go somewhere and challenge them by saying, "You are going to

be out of a job because we do not believe in building Darlington."

Yes, I believe Darlington should proceed.

Mr. Foulds: Is the Premier aware that if we were to take the amount of money being projected for Darlington and invest it in the manufacturing sector and in the auto industry, we would be exporting autos to Japan instead of the other way around?

Is the Premier aware that when Darlington was approved by the board of Ontario Hydro, its estimated cost was \$4 billion; that in the spring of 1981 it was \$5.4 billion; that in December 1981 it was \$6.25 billion; that in February 1982 it was projected at \$8.2 billion; and that just the other day, in Hydro's annual report, Hydro said it would be \$9.1 billion? That is half the budget of the province.

In terms of that amount of escalation, I repeat the question asked by Mr. Rogers of the Ontario Energy Board before the hearing: "At some point the shockingly increased forecasts of costs must render these plants uneconomic. Where is that point?" That is the question I want to ask the Premier: At what point do those plants and that cost become uneconomical?

2:50 p.m.

Hon. Mr. Davis: I am glad the member is asking me and still looking at the gallery at the same time.

I will reply to the member in somewhat more positive terms. Mr. Rogers is there to do a job. The select committee, I think, had some understanding. There is no question that there has been an inflation in cost. If one takes the figure of, say, \$7 billion and calculates inflation at an annual rate of around 11 or 12 per cent, there is a \$700-million to \$800-million bill just in the rate of inflation in one current year.

If one translates the final cost over a six- or seven-year program—which is what we are talking about; we are not talking about that kind of investment in a single year—into the number of construction jobs that will be available and are available at Darlington, and if one calculates it in terms of employment in the manufacturing sector, I think one will find that there is a very legitimate return to the economy of this province.

If the member is saying to me, at the same time as his party is so critical of other environmental concerns in relation to Ontario Hydro, that Ontario Hydro should not be making the move to utilize nuclear power to a greater extent, then he should stand up and say so. But

in the same breath he should not complain about acid rain. He cannot have it both ways.

The costs of Ontario Hydro for their nuclear program are, once again, superior to anything in North America. Mr. Rogers is a great, eminent counsel, doing a job; but look at Mr. Genest's reply. The member might at least have the fairness to put that on the table as well.

Mr. Foulds: You put it on the table.

Hon. Mr. Davis: Sure. Here, I will let the member read it. He always listens to one side when it is convenient to him.

When one traces the increase in the cost of coal over the past decade and calculates the increased cost of oil and natural gas over the past decade, and if one projects these into the next decade, even though capital costs and the costs of personnel are higher, the fuel cost, which is the essential and basic cost, is still projected to be substantially lower than that of the other forms of fuel; so one will find that it continues to be economically viable. I hope that completes the member's education.

Mr. Kerrio: Mr. Speaker, I want to make it abundantly clear to the Premier that we are in favour of the nuclear option. The question is, in this particular plant, where the overrun has been in the neighbourhood of \$6 billion, how does the Premier react to the comment that was made by the Oshawa public utilities commissioner, who was angry about the cost overruns at the Darlington nuclear generating plant?

"Gordon Burnett says Ontario Hydro is awarding contracts for the project near Bowmanville on a cost plus commission basis instead of going to the marketplace for the lowest bidder. As a result, he said, the current estimate on the project is going to rise unconscionably."

Imagine what a \$4.2-billion cost overrun would do to the economy if it were put in the housing field.

The Deputy Speaker: Question, member for Niagara Falls.

Mr. Kerrio: The Premier has not mentioned the fact that we do not know what it is going to cost to decommission plants or to dispose of nuclear waste, and he is telling us how great the nuclear option is when he does not know himself. Will he admit that?

Hon. Mr. Davis: Mr. Speaker, I think it is fair to state that no society has totally solved the problem of disposing of nuclear waste. The honourable member will recall, however, with respect to the Hydro generation facilities, that if one were to calculate the cost at the Pickering

generating unit in relation to the number of megawatts produced at that plant and in consideration of the fact that they can dispose of the waste that is used by Ontario Hydro within that plant by means of a facility that is already part of the capital plant itself, I think one would find that that cost can be calculated and that it is already in the cost of generation at the nuclear plant in Pickering.

I am delighted to hear that the member's party at long last is in favour of nuclear power.

Mr. Kerrio: We always have been.

Hon. Mr. Davis: Oh, they have been ambivalent; let us be frank about it. It all depends whose riding he is in on what given day, but I am delighted to hear his support of it.

I will just reiterate to the member for Niagara Falls that I appreciate that support, because we both know this is the best option for Ontario Hydro to pursue. They are doing it effectively and efficiently; once again, in terms of other comparable facilities they are the most efficient in North America.

Mr. Foulds: Mr. Speaker, does the Premier not have the slight feeling that he is being trampled by two white elephants, Suncor and Darlington?

Interjections.

Mr. Foulds: Can the Premier respond to the following specific comment of Mr. Rogers with regard to the escalation in cost of the nuclear plant? "There does not appear to be any mechanism which would trigger a re-evaluation of the need for a capital expenditure when a change in escalation factors causes the forecast to rise" Does the Premier not think it would be a good idea to re-establish that examination mechanism? Will he not re-establish the select committee on Ontario Hydro affairs or some mechanism to review these matters?

Hon. Mr. Davis: Mr. Speaker, I am delighted to know that Mr. Rogers is getting so much attention. He is a very able lawyer; I do not quarrel with that at all. But he represents a single point of view as expressed by himself, doing the job before the Ontario Energy Board for which he has been retained and paid. I would only suggest to the honourable member that he read everything presented to the OEB, including the arguments of Mr. Genest. I think the member for York South (Mr. MacDonald) would say Mr. Genest is every bit as able as Mr. Rogers and, in terms of knowledge about Ontario Hydro, perhaps has some greater insights than others.

If the member is suggesting he is opposed to Darlington once again, I want it on the record. I am pleased to hear it, but I challenge him to go into those communities whose economic vitality depends on the courageous decision of Ontario Hydro to move ahead with Darlington and tell the people so. He should go into those communities and tell workers they are redundant and do not need their jobs. He should have the nerve to do that.

I am always intrigued by the member's observations about Suncor. While he likes to have it both ways on so many issues, he cannot escape the stated philosophical objective of his party, the statements made by his national leader, and the fact that on the day Suncor was announced, his only criticism was that we did not acquire 51 per cent.

CONVERSION TO CONDOMINIUMS

Ms. Copp: Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing. I wonder whether he is aware of a potentially disastrous situation facing more than 500 families and senior citizens who are tenants of Robinson Towers Ltd. in Hamilton.

Last December, Robinson Towers Ltd. levied an illegal rent increase, which was rolled back. Subsequently, it applied to the Residential Tenancy Commission for a 33 per cent increase, which was refused. Now the company has decided it will convert the units to condominiums and it is asking the tenants, predominantly senior citizens, for a \$10,000 down payment to buy into its condominium conversion.

Why does the minister not bring in some province-wide legislation to assist local municipalities in stopping this callous practice, which is cruelly indifferent to the lives of many of those people in Hamilton and Stoney Creek, unfortunately not an area represented by this party? Why does the minister not step in and stop this situation?

Hon. Mr. Bennett: Mr. Speaker, I trust the honourable member has availed herself of the information that relates to the conversion program in this province regarding rental to condominium. The right to convert that unit rests with the municipality. The municipality makes the decision whether the unit will be converted from rental to condominium. Then it generally flows to the minister for concurrence. But the principal decision rests right where it should, at the municipal level.

Ms. Copp: The minister knows full well that a member of his own party has introduced

private member's legislation to get the province to take this bull by the horns and deal with what is becoming a rapidly growing problem across Ontario, including areas like Hamilton.

The current apartment vacancy rate in Hamilton is 0.6 per cent, which is below the provincial average of 0.8 per cent and well below the documented industry-wide standard of 1.5 to two per cent. This potential conversion could create further pressure on tenants in the Hamilton area. What is the minister going to do to alleviate this conversion, which potentially will hurt senior citizens and families in the Hamilton area?

Hon. Mr. Bennett: It is obvious the member is confused. She does not recognize what the member presented to this House as private legislation. It is not to deal with the field of—

Ms. Copp: It would encourage demolition—
3 p.m.

Hon. Mr. Bennett: Just one moment. The member had her turn. She should just listen for a moment and find out how the situation pertains in Ontario.

We are a government that has great respect for the right of municipalities to govern in their jurisdictions. Indeed the legislation very clearly gives to the city of Hamilton or Stoney Creek or any of the others the right to concur or otherwise with an application to convert a rental unit to condominium. I have said that three times this afternoon. I trust the member now understands what I have said.

I am aware of the rental problems in most of the major communities of this province. Through the amount of money it has made available to the development industry under its Canadian rental supply program, the federal government hopes to get a number of units started in Ontario and in the rest of Canada to try to bring the rental supply more into line with the needs of the day.

The member will recall that on the night of the budget this government brought in the renter-buy program because we were asked by the federal government not to participate in any way, in the current year, in trying to stimulate rental construction.

Interjection.

Hon. Mr. Bennett: Would the member listen just for a moment?

The federal government wanted to do the rental program on its own so we stepped aside and said: "Fine. If you think you can produce the number of rental units we need in Ontario,

be our guest." Therefore we brought in the renter-buy program, which has been very successful.

Ms. Copps: You don't even believe that yourself.

Hon. Mr. Bennett: It was an attempt to try to find a way to move people out of rental accommodations into ownership.

The Deputy Speaker should not give me the finger to wind up. I have had the same kind of remarks from the member for Hamilton Centre (Ms. Copps).

Ms. Copps: Some people can't afford to buy. That's the problem.

Interjections.

The Deputy Speaker: Order. I did not say a thing.

Interjections.

The Deputy Speaker: Mr. Minister; in conclusion.

Mr. R. F. Johnston: Who runs this House, Claude?

Interjections.

Hon. Mr. Bennett: Mr. Speaker, I conclude by saying that we are not dealing with the question of demolition; we are dealing with the rights of conversion. I think what this government is doing through the Challenge 2000 program in trying to free up some of the rental units in this province, along with the federal government, will produce—

Ms. Copps: What about senior citizens?

Hon. Mr. Bennett: Let me just make a statement this afternoon:

It will produce a higher vacancy rate in this province than will be acceptable by the economics of the day—watch and see—in the next 12 to 18 months.

Mr. Philip: The minister will realize that at least one municipality, namely the city of Toronto, has recognized that it does not have sufficient power to deal with the worst kind of conversion, namely conversion by demolition, and now has a private bill, Pr13, before a committee of this Legislature. He will also realize that if this bill does not get through this House by the summer there will be a run of demolitions in the city.

Would the minister give assurance to the House that if the hearings on Bill Pr13 are not concluded and it appears this House cannot deal with the bill before the House recesses, he will introduce in this House an emergency bill

that will at least put a temporary freeze on demolitions in the city of Toronto until such time as this Legislature may deal with Bill Pr13?

Hon. Mr. Bennett: It is not my intention, Mr. Speaker, to introduce such a bill into this House. I trust that Bill Pr13 will be discussed and reviewed by the committee with the aim of reporting back to the House. I have said very clearly that I will not introduce legislation.

QUEEN STREET MENTAL HEALTH CENTRE

Mr. McClellan: I have a question for the Minister of Health about the Queen Street Mental Health Centre.

Section 14 of the Mental Health Act defines an involuntary patient as a person who "is suffering from mental disorder of a nature or quality that likely will result in (1) serious bodily harm to the person; (2) serious bodily harm to another person; or (3) imminent and serious physical impairment of the person, unless the person remains in the custody of a psychiatric facility . . . ?"

If the minister is aware of that definition of an involuntary patient, can he explain to us how it is—according to information he tabled yesterday—that in January, 1982, 16 involuntary psychiatric patients were absent without leave from Queen Street? In February, 1982, 18 involuntary patients were absent; in March, 1982, 27 involuntary patients were absent; and in April, 1982, there were 28 involuntary patients, by definition dangerous either to themselves or other people, who had wandered out of Queen Street into the surrounding community. How on earth can this continue to happen?

Hon. Mr. Grossman: Mr. Speaker, as the member knows, the Queen Street Mental Health Centre has recently taken steps to ensure that will not continue to happen. In fact those numbers of incidents are the product of a certain method of treatment and a certain philosophy that has been in place at Queen Street for several years. That resulted in the Peat Marwick study and other initiatives with regard to solving that and other problems.

The member has, over time, objected to some of the steps that have been taken. A couple of weeks ago, I guess it was, there was a demonstration on the grounds of Queen Street Mental Health Centre objecting to the erection of some security facilities that would help solve this problem.

It is an example of the problems and conflicts one faces there in trying to put in some medium

security facilities. Some people are objecting. I happen to think that if we are going to reduce those numbers the kinds of steps that are being implemented by Dr. Malcolmson, the new chief of staff at Queen Street, are the right ones. I think they will reduce those numbers.

Mr. McClellan: I continue to find the minister's response incomprehensible. How on earth has the open door policy ever had anything to do with involuntary patients? I am talking about involuntary patients, not informal patients. He should not try to confuse it.

The answer tabled yesterday states at the bottom that the number of patients absent without leave increases during warmer months. As far as the minister is concerned, is that an indication we can look forward over the spring and summer to additional involuntary patients wandering out of Queen Street Mental Health Centre into the surrounding community, by definition putting themselves and other people into danger? Is that the position the minister is taking—the position he seems to be stating again this afternoon?

Hon. Mr. Grossman: I must repeat my earlier remark with the concurrence of the Speaker. The member knows very well all that is a function of the theory of psychiatry that has been practised over the last few years and has not yet been changed dramatically at Queen Street Mental Health Centre. An attitude, a philosophy and a method of treatment based upon the geographical allocation and certain other things occurring in that building have caused those things to happen.

After all, the bricks and mortar reconstruction of that centre was based upon a certain philosophy of treatment. That philosophy of treatment is one which caused a certain construction pattern to be followed. That construction pattern and the treatment pattern happen to have that kind of situation as a consequence.

I do not find that situation tolerable. My predecessor did not and the ministry does not. Consequently, there have been dramatic changes put in place, many of which the member objected to. It reminds me of the question the Leader of the Opposition asked a moment ago about Darlington. As a result of these changes, those figures will be reduced, if not eliminated. When we changed the procedures to try to stop this, the member was among those most vocal in objecting to those procedures.

Mr. McClellan: That is not true and the minister knows it is not true.

Hon. Mr. Grossman: It is true.

Mr. Ruprecht: Mr. Speaker, I would like to ask the minister when he will institute certain steps that will provide for greater community participation in and community control over the hospital. I am fairly certain that if greater input was provided that kind of situation would not occur to the extent it does. When will the minister provide a greater sense of community input at the hospital?

Hon. Mr. Grossman: Mr. Speaker, I know the member has noted the recent initiatives of the ministry in appointing patients' advocates for each of the 10 psychiatric institutions. Queen Street will be one of them and that will go some way towards addressing his concerns. We also have indicated we will be appointing community advisory boards for our institutions. The community advisory board will come into play later on in the process in the case of Queen Street, because we desire to finish the implementation of the change of philosophy and the implementation of the Peat Marwick report before we move to the community advisory board process in that case. We will monitor the progress over the next year or so and make some decisions based upon the progress they are making.

However, I think the member will agree we are taking steps to get the community far more involved in what is happening at Queen Street and in the surrounding neighbourhood.

3:10 p.m.

IDENTITY OF ACCUSED ATTACKER

Mr. Shymko: I would like to address my question to the Attorney General. According to a press article dated Monday, June 7, in the Toronto Sun, one Gordon Henry Taylor was arrested over the weekend and charged with forcible confinement and assault on a six-year-old boy. Apparently he was forced from a parkette on Close Avenue and assaulted. I would like to ask the Attorney General whether that "Gordon Henry Taylor" is the same "Gordon Taylor" who, on March 5, 1979, was convicted of an indecent assault on a four-year-old girl? He apparently was given a suspended sentence and a three-year probation by a court decision in that same year.

Hon. Mr. McMurtry: I will attempt to obtain that information for the honourable member.

HYDRO EXPORTS

Mr. Elston: I have a question for the Minister of the Environment. I know he will be aware that Ontario Hydro, in its 1983 rate application before the Ontario Energy Board, has applied for an expenditure next year of \$67 million on the General Public Utilities Lake Erie cable project.

I do not think the minister can justify such a demand by Ontario Hydro, which would increase electricity rates next year, if it has not already received the official approval of the government. Is Ontario Hydro's confidence a result of the fact it has received blanket approval from the government for its plan, regardless of any environmental considerations? Or is it yet another example of Ontario Hydro's independence from the government which allows it to do whatever it wishes without any worry of government interference?

Hon. Mr. Norton: Mr. Speaker, I think a simple answer to that would be that it is neither of the two alternatives the honourable member put forward.

Mr. Elston: Would the minister not agree that Ontario Hydro's confidence in the fact that this project will proceed is further evidence of the lack of any control by this minister over Ontario Hydro on environmental issues?

Hydro has managed to obtain blanket exemptions under the Environmental Assessment Act for almost every major project—a total of 57 specific projects or an average of about one specific project per month—since the legislation came into existence. Even letters to the Premier concerning acid rain from Ontario Hydro's proposed sale to GPU are answered with a form letter. It includes an Ontario Hydro fact sheet and explains that the Premier's position coincides with that of Ontario Hydro. Is the minister unable to take a position which is independent of Ontario Hydro?

Hon. Mr. Norton: I most certainly can, do, have done, and will continue to do when it is appropriate.

GOVERNMENT DISMISSAL OF
DISABLED PERSON

Mr. R. F. Johnston: My question is for the Minister of Revenue and it concerns his department's commitment to disabled people.

I am not sure if he is aware of a headline in *Topical* of January 1982 which said, "The theme of the International Year of Disabled Persons will not fade away." I wonder if the minister is

aware of how it is fading away for one Mr. David Dunlop of Toronto, who suffers from multiple sclerosis and who was featured in the much-acclaimed advertisement "Label us able"? He was hired as a temporary employee by the ministry a year ago January. Because of his work between that period and June of last year, he was hired as a full-time clerk at the clerk 3 level last July 31. On June 4, last Friday, he received two weeks' pay in lieu of notice because the minister's people did not think he was capable of doing the job.

Hon. Mr. Ashe: Yes, Mr. Speaker, I am aware of that situation within the Ministry of Revenue. There is no doubt the end result is unfortunate. The issue, as I understand it, is in the third stage of the grievance procedure and will be going forward accordingly.

I can assure all of the honourable members the unfortunate discharge of the person referred to obviously had nothing to do with his physical difficulties at all. To the contrary, there were medical examinations by the government and outside to make sure it was not anything to do with his physical disability that may have caused the problems that did not allow him to do his job in the way we felt it had to be done to retain the position. We bent over backwards to ascertain that.

I am very convinced, after being made aware of the issue, that is not the case. It is unfortunate that the job demands could not be met but it had nothing to do with the state of his health—either mentally or physically.

Mr. R. F. Johnston: I wonder if the minister would tell us if it had anything to do with the fact that he did not receive proper training? Is he aware that he did not receive an evaluation report until March 4 of this year? Is that the kind of support the minister feels he should be giving to disabled people who are trying to make a go of it in his ministry?

Is the minister aware of this other article in *Topical* published last November with a headline which features David Dunlop and his work in that ministry which says: "Disorders Won't Stop These Men." Would he like to add to that, "But the Minister of Revenue will"?

Hon. Mr. Ashe: Mr. Speaker, it is too bad that some of the members opposite try to take advantage of a very unfortunate incident and unfortunate situation vis-à-vis a person. Again, I have to stress I am fully aware of the situation. I support the actions that unfortunately we had to take vis-à-vis that person. I think it is fine to

shout discrimination, if one will, but the facts will prove that is not the case. The gentleman was on probation; he was unable to carry on the functions of his job and he was dismissed accordingly, with termination pay as of last Friday.

TAX ON NONPROFIT ORGANIZATIONS

Mr. Roy: Mr. Speaker, I have a question of the Treasurer dealing with his budget. The Treasurer will no doubt be aware that all sorts of charitable institutions such as Boys and Girls Clubs, the Young Men's Christian Association, the Boy Scouts, the Girl Guides and all, have been preparing or have budgeted for summer camps for children, a large percentage of whom are from needy families.

Knowing this, does the Treasurer really intend to proceed with his budget and tax the meals these children will be enjoying at summer camp? Does he really intend to tax the accommodation of these children at summer camp?

Hon. Mr. Pope: It must be Tuesday, Albert is here.

Hon. Mr. Ashe: That was asked one day when you were not here.

Mr. Elston: You weren't here either.

Hon. Mr. Ashe: But I know the questions that were asked.

Hon. F. S. Miller: I did not have a chance to answer that question last week, but I assume the Minister of Revenue answered that last week, did he not? I think the member should refer to him.

Mr. Roy: Will the Minister of Revenue tell us?

The Deputy Speaker: Let's tidy this up.

Hon. Miss Stephenson: Read it in Hansard.

Hon. Mr. Ashe: The member is of the legal profession and I hope he can read. I think he can refer to Hansard of last week.

The Deputy Speaker: The time for question period has expired.

Mr. Roy: A supplementary—

The Deputy Speaker: I think I indicated you would only have the opportunity for one quick, final question. Question period has expired.

Mr. Roy: I think you will agree that—

The Deputy Speaker: A point of order?

Mr. Roy:—it is cavalier on the part of both of these ministers to take the attitude that we have to read it in Hansard. What are they afraid of?

NUCLEAR WAR FILM

The Deputy Speaker: I would like to bring to the members' attention that the member for Ottawa Centre (Mr. Cassidy) has asked the permission of the chair for distribution of a notice to all members of a film being shown on Thursday. The chair has authorized that distribution.

Mr. Cassidy: Mr. Speaker, since the notice that was to be distributed to members opposite is not here, I will tell them it is an invitation from the member for Brantford (Mr. Gillies), the member for Renfrew North (Mr. Conway) and myself to see a film on nuclear war. It will be shown at 1 o'clock in committee room 2 on Thursday and I would hope all members would be capable of attending.

WILD RICE HARVESTING MORATORIUM

Ms. Bryden: Mr. Speaker, on a point of privilege: Last Friday, when I was sitting in a committee outside the House, the Minister of Northern Affairs (Mr. Bernier), in the House, when replying to my urging that the government extend the moratorium on granting wild rice licences to non-natives, asserted that I was ill-informed and I did not even know how to cook wild rice. I would like to correct the record and tell him I do indeed know how to cook wild rice—and I hope he does too in this nonsexist society.

3:20 p.m.

On a more serious note, I do not consider his personal attack to be a valid answer to why he is refusing to extend the moratorium for another five years. I request that you ask him to substantiate his allegations as to my lack of knowledge on the subject.

NURSING HOME CARE

Mr. Cooke: Mr. Speaker, I am not sure whether it is a point of order, a point of privilege or what it is a point of, but I am sure you can give me direction. Last week I asked a question of the Minister of Health (Mr. Grossman) about a nursing home in St. Thomas. The minister took note of the question and reported back to the Legislature with information that was out of date. He said an inspection was to occur last Friday, and that took place. We were given the impression he would report back to the Legislature. As I understand it, all my concerns have been proven valid and the minister is obviously afraid to report to the Legislature.

The Deputy Speaker: I am having difficulty slotting that either as a point of privilege or a point of order. Furthermore, I do not think the Minister of Health would be particularly afraid to answer your question during question period.

NOTICE OF DISSATISFACTION

Mr. Roy: Mr. Speaker, on a point of order: I think, as I stated before, it is somewhat cavalier on the part of the Treasurer (Mr. F. S. Miller) and the Minister of Revenue (Mr. Ashe) to treat charitable institutions in the fashion they did. Therefore, under standing order 28(b), I would like either one of these bandits to reattend the House at 10:30 p.m. and give the charitable institutions of Ontario a proper explanation of why the meals and accommodation of needy children in Ontario are going to be taxed.

Hon. F. S. Miller: On a point of order, Mr. Speaker, I would like to know what time the honourable member's plane leaves and whether he is taking a later one?

Mr. Roy: Don't worry. I will be here, Mr. Speaker. Bring the explanation.

WITHDRAWAL OF UNPARLIAMENTARY LANGUAGE

Mr. Rotenberg: On a point of privilege, Mr. Speaker, the member for Ottawa East (Mr. Roy) used what I consider to be unparliamentary language. I think it is unparliamentary to refer to another member of this Legislature as a bandit and I would ask him to withdraw the remark.

Interjections.

The Deputy Speaker: I would like to hear the member for Ottawa East on this.

Mr. Roy: Mr. Speaker, until I get a proper explanation from these ministers, I will call them nothing else but bandits or Robin Hoods in reverse.

The Deputy Speaker: Does the member for Wilson Heights want an immediate response to his inquiry?

Mr. Rotenberg: Mr. Speaker, I think it is unparliamentary language, and I would like you to rule on the word "bandit." I do not think it should be used in this House.

The Deputy Speaker: I will rule that, in my judicial opinion—I would like the Attorney General (Mr. McMurtry) to take note of that—we will accept it as appropriate.

Hon. F. S. Miller: On a point of privilege, Mr. Speaker, as Treasurer of this province, I am not

a bandit and the next time I visit your riding I must recall that.

Hon. Mr. Ashe: On the same point of order, Mr. Speaker: I am in your riding more often than he is. I double it.

[Later]

Hon. Mr. Gregory: Mr. Speaker, just before the orders of the day: I do not want to prolong the discussion but I wonder if you would like to reconsider your ruling in regard to a statement by the member for Ottawa Centre. I really think it—

Mr. Ruston: Ottawa Centre is down there.

Hon. Mr. Gregory: Ottawa East; sorry.

The Deputy Speaker: Order.

Hon. Mr. Gregory: The point I am making is that I really think it was inappropriate for you to say the statement by this member—that the Treasurer and the Minister of Revenue are bandits—was appropriate. I wonder if the honourable member would care to enlarge on that, or perhaps he might consider withdrawing it.

Mr. Roy: Mr. Speaker, I have been watching all afternoon the various rulings you have made affecting the Premier (Mr. Davis) and a variety of ministers on that side, and I want to compliment you on not being intimidated.

I think the basis of your ruling is that part of my statement was made in jest when I used the word "bandit." I only referred to one minister as that; the other one is actually a sidekick. I just refer to the Treasury as that.

In no way do I subscribe to the theory that one can call a minister a bandit in the true sense. If it offends the acting government House leader, I can replace that word "bandit" and use the expression "Robin Hood in reverse."

3:30 p.m.

Hon. Mr. Gregory: Mr. Speaker, I want to assure the member that his remarks are not what offended me because I can take them where they came from. What offended me, Mr. Speaker, was your statement that you found the term "bandit" appropriate. I just wonder if you might like to reconsider that.

The Deputy Speaker: This can become a great debate but I think it is only fair to recognize the member for Brant-Oxford-Norfolk (Mr. Nixon).

Mr. Nixon: Mr. Speaker, I hate to see the grim looks across there because we have had very good service from the Speaker who is in the chair today. We are not passing judgement on him. He has served both sides very well, there is

no doubt about that. I do not want to incur any animosity; I would simply say to the acting government House leader that, if he does not like the ruling of the Speaker, there is a well-known procedure which he either uses or does not use.

Everybody has his moments when he is better than at other times, but this man has served the House very well and I sincerely hope nobody is putting anybody on a spot. If the member thinks it is that important, there is a procedure that is clearly understood for him to use.

Mr. Martel: Mr. Speaker, I am surprised because the Speaker has attempted on several occasions today to give some balance. He has been challenged about three different times today. He was challenged by the Premier. It was all right. I did not hear the Tories whimper when he called on the Leader of the Opposition (Mr. Peterson) to place his question. There was not a word except when the objection came.

Probably the member who violates the rules more in this House with respect to question period is the Premier who was called to order by the Speaker. That has been a long time in coming. I am glad someone has done it. I now find the member for Wilson Heights (Mr. Rotenberg) challenging. I find the acting House leader doing it.

If anyone had listened to my friend from Ottawa East they would realize he said what he said in jest. There was no anger. The tone was in good humour and this place can use a little levity once in a while. For the government to challenge the Speaker in the way it has done today is simply unacceptable. If it wants to challenge his ruling, then I suggest it challenge without chastising. It has the option. It can challenge him but I do not think it has the right to chastise him.

Hon. Mr. Gregory: Mr. Speaker, I have just made my feelings known. I have no further comments.

The Deputy Speaker: The acting House leader has indicated a request of me. The member for Ottawa East has also. I would like to say I took the whole discussion in a jesting manner. The member for Ottawa East has withdrawn his remark. On re-examining the situation, I would have ruled differently.

REPORT

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Shymko from the standing committee on

social development presented the following report and moved its adoption:

Your committee begs to report the following bill with certain amendments:

Bill Pr14, An Act respecting the University of Western Ontario.

Your committee would recommend that the fees, less the actual cost of printing, be remitted on Bill Pr14, An Act respecting the University of Western Ontario.

Motion agreed to.

INTRODUCTION OF BILLS

Hon. Mr. Grossman: Mr. Speaker, I hope your furniture is in your office when you get back there later today.

HEALTH PROTECTION ACT

Hon. Mr. Grossman moved, seconded by Mr. Timbrell, first reading of Bill 138, An Act respecting the Protection of the Health of the Public.

Motion agreed to.

CONSTRUCTION LIEN ACT

Hon. Mr. McMurtry moved, seconded by Mr. Grossman, first reading of Bill 139, An Act to revise the Mechanics' Lien Act.

Motion agreed to.

ASSESSMENT APPEAL PROCEDURE STATUTE LAW AMENDMENT ACT

Mr. McMurtry moved, seconded by Mr. Grossman, first reading of Bill 140, An Act to amend certain acts in respect of Assessment Appeal Procedures.

Motion agreed to.

ORDERS OF THE DAY

ONTARIO LOAN ACT

Assistant Clerk: The 30th order, second reading of Bill 111, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund; Mr. Miller, Muskoka.

Mr. T. P. Reid: Mr. Speaker, you will note there is no one on the government side who has the authority, presumably, to move second reading of this bill. I presume the members have no interest in carrying on the government program.

Hon. F. S. Miller moved second reading of Bill 111, An Act to authorize the Raising of

Money on the Credit of the Consolidated Revenue Fund.

Hon. F. S. Miller: Mr. Speaker, this is a traditional bill of the House. Its purpose is to provide authority for borrowing moneys for the consolidated revenue fund. The amount of \$2.25 billion is authorized by this bill to cover the estimated borrowing requirements of the province.

Mr. T. P. Reid: Mr. Speaker, I rise on behalf of the official opposition to speak on Bill 111 and to indicate to the Treasurer and to the House that we will oppose this bill.

As the Treasurer has indicated, this is a traditional bill which would give the province the authority to raise money for the expenditures of the province before some of them have been dealt with in the various estimates.

It is also traditional in that it gives the opposition an opportunity to lay before the Legislature our concerns in regard to the operations of the government and the executive council. We have always enjoyed—if that is the proper word—a rather wideranging debate, and I presume that will happen here today.

Hon. F. S. Miller: Mr. Speaker, on a point of order: I think that point needs clarification before the debate goes too far. It was my understanding in the past that, through enlargement of the interpretation, interim supply enjoyed that far-ranging debate but not the loan act. I suggest the loan act is very specific in its requests.

Mr. T. P. Reid: I suppose we will debate that particular interpretation later on in the day.

Earlier, there was a class sitting in the gallery behind me which was from the school I attended as a young lad in Atikokan, which is in my riding. Their visit brings to my mind the fact that the money to be raised by way of loans under Bill 111 will be repaid, no doubt, by those schoolchildren in the years to come, because of the mismanagement of this government.

This bill gives the Treasurer and the government the authority to borrow from the Canada pension plan, the Ontario Treasury bill program, Canada Mortgage and Housing Corp. waste control loans and the federal-provincial-municipal loan programs among others.

I want to make it very clear at the outset that we have a great deal to say concerning these matters, and it may take us a while to say it. Our concern is based on the fact that we are dealing with a bill that arises from the budgetary actions

of the Treasurer and his requirements for funds flowing from the budget and its documents.

We on this side, certainly we in the Liberal Party, have been upset because we see the accountability to this Legislature and to the people of the province being steadily eroded by those opposite, particularly by the Premier (Mr. Davis) and the Treasurer. We have attempted, on occasion, since "the realities," as the Premier likes to say, of March 19, 1981, to hold this government accountable for the mistakes it has made in the past, to pay for which it has now to borrow the money from the six sources listed in the bill.

For instance, we have been concerned that it has been almost impossible to get behind both the process and the actual details of the whole Suncor proposition. We have yet to be able to hold the government, the Premier and the Treasurer responsible and accountable before this Legislature for the events that led up to that purchase, for the \$64 million we are paying out in principal and interest every year, for the \$325 million that has already flowed south to Radnor, Pennsylvania, as the downpayment on Suncor. That is only one of our concerns.

3:40 p.m.

As well, we have a concern about the whole budgetary process and the way the budget was transacted; the fact that there may well have been budget leaks and that some people may have been able to take advantage of inside knowledge as to what was in the budget.

I have raised these matters on occasion with the Treasurer. I have been concerned that the renter-buy program particularly was changed from the original guidelines the Treasurer was going to announce in his budget because of the statements and stories in the press as to what would be available, if and when—

Hon. F. S. Miller: That's sheer speculation.

Mr. T. P. Reid: It may well be sheer speculation, but I say there is a process for the setting up, the printing and the reading of the budget in this chamber and in other democratic institutions.

One of those traditional aspects of any budget-making is the confidentiality and the secrecy of the budget document. There are a number of reasons for that. Obviously, one of the primary reasons is so that nobody with knowledge of what is in the budget will be able to use that information to aggrandize themselves, to make money out of it or to know what is coming so they can make moves either on the

stock market or otherwise. That is at the heart of the major reasons for budget secrecy.

We, on this side—myself in particular—have tried to find out whether there was a budget leak. I raised the matter with the Premier and he, in his own inimitable style with the arrogance that has come to suit him extremely well since March 19, 1981, raised his hand grandly and said, "That is just silly." That may be the Premier's approach to these matters, but it is not ours. Although the Premier may be trying to emulate certain other politicians, like Ronald Reagan and others, it is still not up to him to decide what is silly, right and wrong within this chamber. That whole matter was dismissed as if it was of little account.

Following that, my option was to put a question on the Order Paper, which I duly did. These were questions to the Treasurer relating to the secrecy of the budget. The questions were simply: Were there any changes in the budget document after it went to the Queen's Printer? What were those changes? What section of the text did it refer to?

The Acting Speaker (Mr. Cousens): I ask the member for Rainy River just to make sure that his comments are relevant and germane to Bill 111.

Mr. T. P. Reid: The act is an act to authorize the raising of money on the credit of the consolidated revenue fund. Obviously, the consolidated revenue fund is dealt with at great length in the budget document of the Treasurer. All the moneys raised by these iniquitous and unfair taxes are coming as a result of the Treasurer's budget.

We are simply seeking to lay on the table our concerns about that budget document and this bill that arises from it. That has always been the traditional approach. I am dealing exactly with the bill and matters relating to it and the budget.

The Acting Speaker: The clarification I would give you is that it is not a full budget debate. We are debating a bill at this point and it is the bill that is on the floor.

Mr. T. P. Reid: I certainly would not challenge, necessarily, your ruling, but it has been traditional to give us a fair amount of latitude. As long as I deal with the budgetary matter, which this is; and if the Treasurer wants to say that this is not as a result of his budget and the revenue moneys having to be raised on the credit of the consolidated revenue fund, surely I can refer him to that part of the budget where consolidated revenue plays a rather large part.

Does the Treasurer wish to make a comment about that?

The Acting Speaker: You have the floor. All I ask is that your comments and presentation be tied in to Bill 111.

Mr. T. P. Reid: I accept that, Mr. Speaker, and they certainly will relate to the bill.

I want to make it very clear to you, Mr. Speaker, and to the Treasurer, that we have some concerns about this particular bill; we have concerns about all the budgetary bills. We intend to talk about them fully.

Our aim is to get, particularly, the bill dealing with the broadening of the base of the retail sales tax before a committee of this Legislature. Then, those people who are being adversely affected by these increases or the expansion of the retail sales tax will be able to come in, have their say and tell the Treasurer, and through him the Premier and the rest of the cabinet, exactly what effect these measures are having on them as individuals in our society.

I was trying to lay the groundwork of accountability in the remarks I made earlier concerning the secrecy that the Treasurer is trying to cover up, the process by which the budget was put together and the questions I have asked as a member of this House that have not been answered by the Premier or the Treasurer.

Hon. F. S. Miller: On a point of order, Mr. Speaker: I think this is an important point. I for one have always been willing to have debates in the broadest terms possible. I thought this bill was quite specific.

I have looked back into Hansard to see the amount of time devoted to it so that I was not just saying that by precedent it has been on the point before. Last year the present Leader of the Opposition (Mr. Peterson), who was then my critic, spent approximately 12 to 14 minutes; the critic from the New Democratic Party spent about the same amount of time. That is my recollection. They stuck to the points of the bill, and we did not have a wide ranging debate.

I think there is time, because the interim supply motion comes up shortly, and I must admit that by precedent the member has used that quite effectively for that forum. I do not disagree with it, but this is not, in my opinion, the purpose of this bill.

Mr. Peterson: On a point of order, Mr. Speaker: I think what the Treasurer says with respect to last year is correct. But I recall, because I have spoken several times on this bill

on borrowing on consolidated revenue, that we have had some very extensive debates.

I remind the Treasurer that this gives the government virtually unlimited power to borrow against some billion-dollar funds they have been squandering for their own purposes for a number of years. Every dollar of the deficit they employ is raised under the power of this bill in one way or another. Therefore, when one talks about raising money one can also talk about spending money.

I would suggest, from my experience over the past five or six years as finance critic for this party, that I have seen some very broad discussions because of the huge powers given to the government under this bill; and I would say, Mr. Speaker, that you are not exercising the prerogatives of the chair very wisely if you limit the debate, which goes fundamentally to—

The Acting Speaker: I have listened to the honourable member.

Mr. Peterson: No, hear me out.

The Acting Speaker: You have made a point of order. I have acknowledged that there is a bill on the floor, and the honourable member—

Mr. Peterson: This is not a housekeeping proposition; this is fundamental to the government's function.

The Acting Speaker: I have the floor. The member for Rainy River had the floor, and I have asked only that the honourable member keep his thoughts and discussion generally within Bill 111.

Mr. Breithaupt: Mr. Speaker, I think the debate on this bill is sufficiently important that there should at least be a quorum of members in the House, and I would ask you to call in the members.

The Acting Speaker: There is a quorum.

Hon. Mr. Pope: Why would you do that?

Mr. Wrye: Because you have only six here out of seventy.

The Acting Speaker: To the honourable member, the count has been taken.

Mr. Wrye: Have you so totally lost touch that you do not have to have them be here?

The Acting Speaker: Order.

Mr. T. P. Reid: Mr. Speaker, I find the Treasurer's logic—

Interjections.

The Acting Speaker: Order. The member for Rainy River has the floor and is speaking to Bill 111.

3:50 p.m.

Mr. T. P. Reid: I find the Treasurer's logic and the argument he put forward as to the time spent on the bill about as logical as the contradictions in his budget. If he wants to suggest that every bill that has been debated at length in the past should have the same amount of time spent on it and vice versa, I suppose we can accommodate him but it really does not make much sense, Frank, and even you would appreciate that.

The Acting Speaker: Please refer to members by their seats or titles.

Mr. T. P. Reid: I find it passing strange that the Treasurer should try to treat this bill as not being quite as important a bill as the interim supply bill because the principle of the bill, amongst other things, is going to allow the Treasurer to borrow up to \$2.25 billion. Incidentally, that comes to almost the same size as the deficit the Treasurer is projecting for this year.

I do not know if it is part of the Treasurer's whimsical sense of humour that those two figures should be the same, but it is interesting that the figure he has been using to borrow from the Canada pension plan, the teachers' superannuation fund and others, along with the amount of revenue over and in excess, has always equalled or come to about the same figure as his budget deficit winds up being. One can only speculate that if the Treasurer did not have these funds to draw on and to borrow from, the deficits might be a little smaller. He has been consistent. His predecessors over the years have always come out with the same figures, the same approach and they always work out that way.

We have talked in years past about the problems of borrowing from the Canada pension plan and the teachers' superannuation fund. My leader and predecessor in this job as critic has pointed out at length in his remarks over the years just what is going to happen when the day of reckoning comes for these plans.

Obviously, the first principle of these borrowings is that we are mortgaging the future of our children and their children because we are using the funds that are supposed to be set aside for pensions. We are borrowing them at less than market rate and at some point they are going to have to be repaid. We all know there is only one way for that to happen.

There are perhaps those on the other side

who expect the dividends from Suncor to start paying the interest on the money we have borrowed from these funds, but the projections are about 20 years and the Treasurer will long be retired by that time. There is a problem with giving the government this kind of authority because, if we do, we are countenancing the kind of irresponsible management we have seen in the past.

At one point, we projected that the borrowings from the Canada pension plan would come to an end about 1983-84. That would be when the borrowings from the pension plan would be equal to the amount of interest we in Ontario owed on those previous borrowings. The money made available from that fund would just equal the interest which we owed and which we had to pay.

Obviously, there are some shenanigans going on between the Treasurer and perhaps his federal counterparts to do something about increasing the level of the CPP payments, but the fact remains that money which is being borrowed at less than market rate is going to have to be repaid at some point.

I draw attention to the teachers' superannuation fund. As the Speaker knows, in his other capacity as a private member of this Legislature and once a happy member of the standing committee on public accounts of the Ontario Legislature, we dealt with the matter of the teachers' superannuation fund when this Treasurer's predecessor, Mr. McKeough, was then Treasurer. I recall the Provincial Auditor, then Mr. Scott, pointing out in his report that there was a shortfall in the teachers' superannuation fund of about \$1.2 billion. It was underfunded to that extent.

Mr. McKeough, the then Treasurer of Ontario, and a gentleman whose name I cannot recall, but he was a pension expert from the Treasury, came before the committee and said: "Not to worry. Sure we have to pay out this \$1.2 billion, but we will just get it out of the consolidated revenue fund, if, as and when the money is needed. For instance, we are putting something like \$50 million or \$60 million into the fund to make up the shortfall in the teachers' superannuation fund."

The Treasurer of that day seemed to pretend, before the committee at least, and I am sure we can find it in the copies of Hansard of that committee, that the shortfall, the underfunding of the teachers' superannuation fund, was not a serious problem. For some reason, it was money

we could pull out of thin air somehow and somewhere to make up that deficit. Every year we are putting money back into the teachers' superannuation fund. By this bill, we are giving authority for money to be raised in the consolidated revenue fund to be put back in, and at the same time we are borrowing money out of that very fund.

At the end of March 1982, that is the fiscal year 1981, the province owed \$9.9 billion to the Canada pension fund, \$4.75 billion to the teachers' superannuation fund, \$1.3 billion to the Ontario municipal employees' retirement fund and \$2.96 billion to the public service superannuation fund, for a total of \$18.9 billion. Sometime or other that money has to be paid back.

We have a bill before us that is going to give the Treasurer authority to borrow again from these funds. We simply cannot accept, given the government's management record, its wholly twisted sense of priorities, in terms of Suncor and the jet and advertising and public opinion polls and the air ambulance—the Premier's jet that will be used for ambulance services—

Mr. Nixon: The only ambulance with a bar in the province, probably in the world.

Mr. T. P. Reid: That is right, in this or any other jurisdiction. One wonders if it will be transporting the Treasurer home to Muskoka. I am sure the next thing that will happen is that they will be extending the airport—

Hon. F. S. Miller: It's already long enough.

Mr. T. P. Reid: I should know better than that. Of the 230 airports in Ontario, the jet can only land at 18 of them. Of course, one of them is in the Treasurer's riding. Charity begins at home.

I want to refer to why we have this bill before us. It is because of the mismanagement of the government over the years, particularly since this particular Treasurer became Treasurer. I do not want to go back through all the budgets and read everything, but I will recall to the honourable members that last year we heard, in the 1981 budget, that we were pausing—that is the word I believe the Treasurer used—in the search for our goal of a balanced budget.

It is interesting that in the 1982 budget we did not even hear the term "balanced budget." There was no reference to it. It was not another pause in our direction towards a balanced budget. There was simply no mention of it. It is also interesting, perhaps hypothetically, that in the 1981 budget there was a great foofaraw

about the Board of Industrial Leadership and Development program. Yet, supposedly it being the cornerstone of economic strategy in Ontario, there was no reference to it at all in this year's budget.

4 p.m.

I want to put on the record the increase in the public debt that is going to result from the budget and from the authority of this bill to borrow money.

In 1981, the estimate—I am not sure we have the up-to-date figures; I am sure the Treasurer can tell us—was \$1,823,000,000, and the daily interest was about \$4.9 million. The actual increase in the public debt was \$1,838,000,000, on which the interest per day was \$5 million. The estimate for 1982 is \$2.23 billion. Those figures, if looked at as percentages, show that the 1982 estimated budget deficit is 124 per cent over the estimated 1981 deficit; that is, the Treasurer's best forecast of the 1981 deficit.

I predicted in an earlier speech that the deficit this year was going to be more than \$2.2 billion. Now I would suggest it is going to be about \$2.6 billion. Part of that, of course, is due to the increase we have allowed to the doctors. Depending on whose estimates one uses, that amounts to anywhere from \$258 million to \$350 million.

I want to say to the Treasurer, who is a former Minister of Health, I was most disturbed that we could find that kind of money to increase doctors' salaries when the best we could do for the disabled in the province, particularly those who need prosthetics and auxiliary devices such as artificial arms and legs, wheelchairs and so on, was to provide assistance up to the age of 18 years.

I say to the Treasurer very honestly that I cannot understand this government's priorities when it can do the things it has done with Suncor, with government advertising, with the polls it keeps hidden and locked up till they are of no value to anybody except the cabinet, and yet it cannot provide assistance such as prosthetic devices to those who need them.

The irony of that situation is that we will pay a doctor in the Ontario health insurance plan anywhere from \$450 to \$900 to remove somebody's arm or leg, but we will not pay to have it replaced by an artificial limb. To me, that does not make any kind of sense or logic. Certainly it is not humane.

With the riches that we still have in this province, despite everything those opposite have done, we can find \$258 million to increase

doctors' salaries, but we cannot find the money to help people who really need it. Those people, more than most, are going to be suffering from the expansion of the sales tax base, because they are at the bottom of the economic scale.

There is a man in my riding who is trying to support his wife and family. He has two artificial arms, which have to be replaced every six months because of chafing problems. Out of a small salary, he has to purchase those devices. Again, I wonder, where are the priorities of this government?

The Treasurer makes much of the triple-A rating of Ontario and does a lot of things with smoke and mirrors so that everything looks fine. He talks about nonpublic borrowing and says that, really, the only money he is going to borrow comes from the public borrowings of Ontario Hydro. But, in the end, the money he is borrowing and the money that is going to have to be paid back comes from only one place, essentially, and that is the taxpayer's pocket.

I agree with the Treasurer that over the years he has not been to the public market to borrow money to pay for the deficits of Ontario. But he has found a better pocket to pick.

Mr. Nixon: Almost a bottomless well.

Mr. T. P. Reid: Well, he and his predecessors have certainly treated it that way.

Mr. Nixon: They are pumping it pretty well dry now.

The Acting Speaker: Order.

Mr. Kerrio: Where is James Allan when you need him?

Mr. Nixon: Yes, where is Jim Allan?

The Acting Speaker: The member for Rainy River is being interrupted by his own members.

Mr. Breithaupt: They are just trying to help him.

Mr. Foulds: If you would prefer, we could heckle him.

Mr. T. P. Reid: Mr. Speaker, in 1979 the present Treasurer said: "Accordingly, this budget proposes to maintain a high quality of public services in Ontario; to help create more jobs; to provide incentives for economic growth and small business development; to continue our sound management of provincial spending, thereby helping to contain inflation; and to reduce the deficit."

In 1981, the Treasurer said: "In conclusion, this budget serves to maintain a required fiscal balance . . . and it maintains the province's commitment to balance the budget."

Of course, the deficit had gone up by 56 per cent or better between 1980 and 1981, but by using those well-known Tory smoke and mirrors—

Hon. F. S. Miller: Not the projected deficit.

Mr. T. P. Reid: The Treasurer has a point. He says, "Not the projected deficit." That is right. That raises a very interesting point, because we have asked to have information, the background studies, the economic forecasts on which the Treasurer's budgets have been based.

Because it is against the rules to say someone is misleading the House, I do not intend to say that, but it is passing strange that in the past five years and in the past four in particular, the projections of that Treasurer of the deficit in this province have not been accurate at all—

Hon. F. S. Miller: They have been lower in all but one year.

Mr. T. P. Reid: Baloney. Let us talk about last year, the year before the election.

Mr. Ruston: He cooked the books.

Mr. T. P. Reid: Somebody said he cooked the books, Mr. Speaker. I do not believe the Treasurer has cooked the books. He simply puts his optimistic, rose-coloured glasses on. His friend was in the gallery earlier, by the way.

Mr. Nixon: To whom are you referring?

Mr. T. P. Reid: He wears pink-coloured something else, I think.

But the Treasurer always projects a very optimistic level of revenues. He always is very optimistic about the small size of his deficit.

It is interesting to see how other jurisdictions do their budgets. I recall, Mr. Speaker, and I am sure you are breathless to hear this, when I was on a committee of the rules of the Legislature when I was a nouveau member here—that is, in case the member for Ottawa East (Mr. Roy) was here, back in the 1960s—all committees went to California to look at how the rules of that assembly operated and how they did their budgets.

It was interesting in the extreme that all the information that went into the setting of a state budget in California was made available to the opposition party. In fact, they were given as great if not greater resources so they could do their own economic forecasts and criticize the budget.

We have not asked for that kind of thing. But what we do ask for is the projections and the background papers on which the budget is based and on which these bills come before us in this Legislature so we may know whether the

Treasurer has his rose-coloured glasses on or whether he is being a little more optimistic than we on this side would be, given the reality of the economic situation in this country and in the world.

I was interrupted by the Treasurer. He said in his 1981 budget, "In conclusion, this budget serves to maintain a required fiscal balance... and it maintains the province's commitment to balance the budget"—even though the deficit went to \$1.8 billion.

4:10 p.m.

In 1982, the best the Treasurer could come up with in his concluding statement was, "Moreover, when our revenues are reduced because of slow economic growth and substantial federal cutbacks, I cannot conjure up a way of paying for a decent standard of public services that does not involve some increases in tax levels or the deficit." There was no mention of the balanced budget at all and no mention even as to whether there is still a commitment to that approach on behalf of the government and the Treasurer.

It is interesting how things change. We have noted that as a result of the budget in 1981, personal income tax has gone up by two per cent this year, which, of course, does not show up in this year's budget. In the 1981 budget, the Treasurer increased personal income tax by two per cent in that year and put in motion an automatic increase in 1982.

That kind of taxation is what bothers us on this side. We are bothered about the accountability for the Treasurer's actions before this Legislature and the people of Ontario. That is why we want to ensure some of these tax bills that are laid before us—this may be one of them, but certainly there are others—should go to an economic or finance committee of this Legislature. That committee should have the power to call witnesses so there will be an accountability directly to the public and to the people who are being affected by these increases and by such tax borrowing as we see in Bill 111.

There is a theory, which I find most outmoded and which is called ministerial responsibility and government and executive accountability, that says we are responsible and accountable to the people for the actions we take. The Treasurer said it in answer to questions put during question period today. He said, "I am prepared to be accountable for my budget."

The realities of the world and the political world have changed drastically so that all these

matters get lost in the reporting of the war in the Falklands, the war in the Middle East and the myriad of communications and information we are now deluged with in terms of television, the newspapers and radio. The information revolution has minimized what used to be very important events, such as these debates in the Legislature on matters affecting the government's accountability.

The whole spectrum of responsibility and accountability has become so diffused that people do not get to hold the Premier and the Treasurer accountable except when an election comes along. In the meantime, because they do not have the opportunity to make their views known on a direct, personal basis in terms of being able to come before a legislative committee on something as important as these measures, a lot of people out there are losing their faith in the democratic system and in what they used to refer to as responsible government.

The sad thing is that there is no one who knows it better than those people on the government side of the House, because they have been practitioners of this art of escaping responsibility and accountability since I have been here. This Treasurer and his Premier have been known to blame everything on the federal government, but the Treasurer and the Premier are not blameless.

There is a certain amount of truth in what the Treasurer says on occasion but, at the same time as he is blaming the federal government for the position he finds himself in, he is passing on those same tax increases to the municipalities and the boards of education. He has done so previously, as have his predecessors before him. The Premier and the Treasurer find themselves on pretty sandy ground when they start blaming somebody else for the economic ills of this province.

It should be a concern of all members of this Legislature that the people are getting turned off in our democratic society because they do not see Premiers or Treasurers, either at this level or higher up, being held accountable for their actions. They have too many other concerns on their minds and these matters get pushed aside.

The government of the day, whichever one happens to be in power, works on the basis that if it hits people hard in the first couple of years of any administration, it has two years, and certainly the last year, to bring in a good budget, give the store away and, therefore, the people will come out and vote for it again as they have

in the past. An indication of that is in the last election, when 57 per cent of the people of the province bothered to turn out to vote because the Premier, the Treasurer and the rest of their colleagues in government had convinced everybody there really was not very much going on in the province.

The press also does not seem to be particularly interested in the budget debate. I recall that the remarks of my NDP colleague and myself found their way on to page 34, in the third section of the *Globe and Mail*, about a week after our remarks were made. One had to be an avid newspaper reader, such as I am, to have found them. With all respect, I do not think the contributions we made were so bad that they deserved to be found directly under the advertisements for companions wanted, trusses and other ads in the newspaper.

It is frustrating to try to hold the government accountable, to make the government be reasonable, not only for us in this chamber, as we see it, but also for individuals in society to have an impact on what is going on.

I have never understood it—perhaps it is because I have been in opposition—but, as a private member in my riding, if I made a mistake, I would say, "I'm sorry; I made a mistake." Of course, I never have made a mistake in 15 years, but I would be prepared to say that. Our federal Minister of Finance obviously has made some pretty serious mistakes. I have said that before.

The Treasurer in this province has made some pretty serious mistakes too. He should be a big enough man to stand in his place and say: "We did not realize what impact some of these things were going to have on people. We did not realize the economy was as bad as it was. We are willing to put these aside at this time to give some relief to those people who are hardest hit by the economic situation in Ontario today."

It is not going to be the end of the Tory majority. It is not going to be the end of the Treasurer's career. But if the Treasurer does not change some of the budgetary measures he has introduced and is introducing by way of some of these tax bills, it will be the end of his career and it will be unfortunate. He will go down in history as Fagin Frank.

Fagin was the fellow in *Oliver Twist* who taught the young people to go out and be pickpockets. The Treasurer is doing that by spreading the base and making tax collectors of everybody selling meals—people in camps, people providing Meals on Wheels, people in

school cafeterias—and people who fix everything from lawn mowers to refrigerators. He is the Fagin training all these people to go out and pick the pockets of the people of Ontario yet again.

4:20 p.m.

Back in 1979 and 1980, I believe, the Treasurer's focus was that we had to do something about inflation. He knows full well that any tax increase is inflationary, and yet he comes in with not only the kinds of increases that are inflationary but also the most regressive taxes he could find—taxes that are going to affect the lower- and lower-middle-class people the hardest, because he is now taxing virtually everything they need on a daily basis.

At the same time as he is doing this, he is spending money on things like Suncor and \$40 million on government advertising to maintain this government in power: "Preserve it, conserve it" and all the rest. Then he comes in and expects us to vote for a bill that is going to give him the authority to raise \$2.25 billion. We are not prepared to do that, as I have already indicated.

I did want to refer to Ontario's Tax Structure: Options for Change, in which the Treasurer threatens to change the method of collecting the Ontario health insurance plan premium tax, but I will save that debate for another day.

I would like to talk to the Treasurer about the Board of Industrial Leadership and Development program and ask him how much of the \$2.25 billion that is going to be raised by this bill is going to go into that program.

Hon. F. S. Miller: It is in the printed estimates.

Mr. T. P. Reid: I realize that; but we have a problem here in that we see all the smoke and mirrors the government runs by us and the public of Ontario. The Treasurer will recall that just before the election in 1981 we heard the grand announcement about BILD. The government had found that this program and this use of the smoke and mirrors were very effective because they had done it in setting up the Ministry of Northern Affairs.

Members may recall that the Minister of Northern Affairs (Mr. Bernier), my colleague and friend from Kenora, had made a mess of the Ministry of Natural Resources and, therefore, they had to find something for him to do; so the Premier set up the Ministry of Northern Affairs.

But what was it going to do? What we did in effect was to set up a new layer of bureaucracy,

and presumably we shifted all the money that was in the Ministry of Transportation and Communications, some that was in the Ministry of Natural Resources and some that was in other programs, and we said, "All right now, that is in the Minister of Northern Affairs budget."

What did we do with all the civil servants and the presumed experts? Let us deal with the Ministry of Transportation and Communications, for instance. The people who design the roads, the people who know where the roads should go—the engineers, all the expert and professional staff—stayed in MTC; but, of course, we had to have somebody in the Ministry of Northern Affairs who was the road expert for northern Ontario. This meant any road proposed by MTC had to be approved by the person in the Ministry of Northern Affairs, who did not necessarily have any competence in that field but was getting paid a very reasonable salary.

In fact, this added another layer of bureaucracy and slowed down the whole process, and there was another hand taking a bite out of the taxpayers' dollar as it went by. I do not mean this unkindly to those people who wound up in Northern Affairs, but all the people whom the other ministers did not want in their ministries got dumped into Northern Affairs at that time. It has been rectified to some extent, but that is what happened.

Then the minister could go around the north and say, "I am building a road for you." The money had already been allocated in the Ministry of Transportation and Communications, and we would have got the road in any case, but in this way two public relations outfits—that of the Minister of Transportation and Communications (Mr. Snow) and particularly that of the Minister of Northern Affairs, who is nonpareil at this aspect of the game—could announce that roads would be built here and there.

That worked very successfully. The people of northern Ontario were impressed, because the Minister of Transportation and Communications did not just make an announcement or send his parliamentary assistant to Timmins to announce it; rather, the Minister of Northern Affairs himself, in his buckskin beaded shirt, came in on norOntair and made the announcement himself. He, the Minister of Northern Affairs, was bringing them this new road.

He does that quite often in his own riding, where he has built a road from nowhere to nowhere, one of the greater engineering feats of our time.

My point is that this ploy was successful. They did it by moving the mirrors—as in Jimmy Breslin's book about one of the presidential elections. Breslin wrote about the blue smoke and mirrors, and how one just keeps on cranking up the blue smoke and changing the mirrors around to get a different perception. The colour blue is a coincidence but quite interesting.

Mr. Nixon: Do you have the book with you?

Mr. T. P. Reid: No, but I have it. I will lend it to the member. It is in large print.

Mr. Breithaupt: And there are some pictures.

Mr. Nixon: I wish Bud Gregory were here to make you withdraw that.

Mr. T. P. Reid: The use of smoke and mirrors has been very successful in the United States, and we know the Premier and certain members of his cabinet are great admirers of the American way of politics. It was used so successfully in setting up the Ministry of Northern Affairs that the Premier and the cabinet of the day decided they would run that one by the people of Ontario, and the gullible press, again.

They needed something so as to look fresh and healthy for the election in 1981. Having had the successful startup through the Ministry of Northern Affairs, they came up with the Board of Industrial Leadership and Development program.

Members will recall that prior to the BILD program, there was something called the employment development fund, which was for \$150 million. When the BILD program was announced, strangely enough it had exactly the same amount of money. The EDF program disappeared, and all of a sudden it was as if the Treasurer and the Premier had brought forth a brand-new child rather than an aborted EDF program.

It was the same amount of money and—I know this will strain members' credulity—the programs, generally, were the same as those under the EDF program. Certainly they were the same programs that had already been announced. This was our new economic strategy.

What they did was they changed the mirrors a little. Actually, they got bigger mirrors and blue smoke machines and set them going. They were able, by smoke and mirrors, to give the impression that they had come up with these grand new programs and a great new thrust; they came up with an economic strategy for Ontario that had not existed prior to that time.

Some of this money we are supposed to be raising is presumably going into the Board of

Industrial Leadership and Development program, but the BILD program is a rehash of old programs, money that had already been allocated. The one that always sticks in my mind is the building of Highway 400, which had been announced five times previously. Another is that we had a commitment to energy in Ontario, which I am sure came as a great surprise to everybody, and so on and so forth.

4:30 p.m.

For all the money, the promotion, the public relations and all the rest that is being paid for with taxpayers' dollars, we are asked to provide money to the Treasurer by way of bills such as this. We are asked to "comply," the word we heard today, in the wrong-headed priorities of this Treasurer and this government.

It is interesting that maybe the smoke and mirrors are not going to work much longer in Ontario, that the prosperity on which people depended is not there. As the Premier himself said about a month ago I believe, it was easy to govern Ontario when things were good, but not so easy or almost impossible when things were bad. Part of that is because of a government that is so moribund, so busy plotting and planning to stay in power that it has not dealt with the economic realities of Ontario and what the future might bring.

In conscience we cannot support this bill or some of the other bills. We understand the problems that face the people of Ontario and the Treasurer, but we cannot countenance some of the actions taken by the Treasurer and the Premier, nor can we countenance the people of the province being made to pay for their mistakes.

I have a whole file, but I did not want to bore the Treasurer because I am sure he has seen most of it, although I could read into the record the various comments from those people in the public who have taken great exception to the budget of the Treasurer. I have in my hand a letter from an organization that the Treasurer used to think very highly of, the Association of Municipalities of Ontario. It is very interesting that the president, Curtis G. Carter, has written a letter to all members of the assembly talking about the Treasurer's budget. He says:

"Please find enclosed a letter that has been sent to the heads and members of all municipal councils in Ontario regarding the 1982 provincial budget and its impact on municipal government.

"AMO is convinced that the provincial budget will have serious and far-reaching effects on

municipalities and the association is urging all municipal governments to join with AMO in an attempt to convince the provincial government to reverse its present stance."

They go on to talk about the options they think might be available. Mr. Carter concludes with this last paragraph, "AMO will continue to press for amendment of the provincial budget so that unreasonable financial burdens are not shifted to municipal governments."

I am not going to go through the entire document but it serves to underline the point we in this party have been trying to make to the Treasurer for the last two weeks. That is that one has to give the public at large—whether it be AMO, the clergymen out there on the front lawn, some single-parent mother living on welfare or on family benefits in public housing—an opportunity to come and tell their story. They must be given the chance to put their point of view before a body of this Legislature and, I hope, the Treasurer and his parliamentary assistant.

To me, that is what accountability and responsibility are all about. Those terms have generally disappeared with the traditional past principles of what these places used to be about. There are 125 of us here in our little cocoon. We come in and play our games every day; the opposition screams and yells and the government refuses to answer any questions. It finds some perverted way, if that is being accountable, of refusing to answer questions asked of it. That is not what democracy is all about. That is not giving the ordinary citizen a feeling he or she can participate and have his or her views known.

Whether we like it or not, it is a fact of life that if a clergyman or some other person makes a speech about nuclear energy or even about the budget it is more likely to become front page news than the speeches given in this assembly. The press, either in the gallery or those who control the news media, have found in their wisdom that politicians are somewhat boring. They expect politicians are going to say what they say anyway, so that is not news, but some individual's views will be listened to with much more interest than our own.

The Treasurer, the Premier and various cabinet ministers seem to feel we are all going through an exercise on this side of the House. They do not have to take anything we say or do very seriously, because it is all part of a game we put on, presumably for the television cameras or the schoolchildren who come into the chamber.

That is the view the government has taken for some time. It is certainly the view the acting House leader envisages. There may be an element of truth in it. I do not know. However, that does not help the ordinary citizen to feel he or she is having any say in what goes on in this chamber.

We reiterate this for two reasons. First, we see a direct accountability. The Treasurer, his staff and his parliamentary assistant will have to sit directly across from the people who are being affected by these budgetary measures, rather than across from members who are perhaps underpaid but are doing pretty well compared with the rest of Ontario at the moment. That is our number one point. There should be that kind of accountability so the Treasurer can look those people in the face and vice versa. He can say, "This is what I am doing," and try to explain why he is hitting them so hard.

The other point is I do not believe any of us, particularly people on the government side, realize how bad economic conditions are out there on the streets of Ontario. It is worse at the federal level in Ottawa where they are so far removed from any kind of reality. I say this about all three parties. A lot of the federal members do not really understand, because they are so busy wondering whether Canada should pull out of the United Nations or whatever it is they do up there. With their \$64,000 a year salaries and indexed pensions they are even a little farther removed than we are here.

However, we get that way as well. We tend to think the whole world revolves around these four walls and the committee rooms around this building. As Peter Trueman is fond of saying, "That too is reality." For a lot of us, this becomes a reality, but it is not a reality to the people out there who are being laid off, who are trying to exist on funds that are below the poverty level, who are already having a hard time making ends meet and who are now going to have an additional tax on their toilet paper, toothpaste and everything else.

4:40 p.m.

Sometimes, I do not think we see the reality of what we do here and the impact it has on those people. I think there should be a forum for those kinds of people, or the clergymen or whoever else wants to come in to say, "Look, Mr. Treasurer, this is what your budget is going to do to us."

We in this party have had all kinds of representations by way of telephone, by letters, by people stopping us on the street, by people

coming into our caucus room, in meeting constituents and so on. The people are saying, "For God's sake, do you know what these budgetary measures are going to do to us."

We have had people from the food business saying there may be potentially 7,500 people laid off as a result of this. My colleague talks about a lady who runs a small restaurant who may have to close down. There are three or four in a family firm that has gone out of business and will not start up again.

We have not had from the Treasurer or anybody else over there any kind of information that would prove to us this is not going to happen. We have not had any response from the Treasurer other than him spreading his arms and saying, "Nobody likes tax increases."

Hon. Mr. Ashe: That's true.

Mr. T. P. Reid: That is probably true, but I say to the Minister of Revenue (Mr. Ashe) that does not answer the impact of the budget on the real concerns of people who are working in their shops and doing the day-to-day business.

I will give one small example. The sister of a friend of mine is a seamstress. She used to buy patterns and cloth, for women's clothing in particular but I understand she did men's clothing as well. She would sew dresses and sports jackets and that sort of thing. Prior to this budget, there was no tax. Now she is taxed on the pattern, she is taxed on the yard goods and now she is going to have to charge sales tax on the garment.

Hon. F. S. Miller: On a point of order, Mr. Speaker: Earlier on, the Speaker just before you suggested the honourable member stick to the bill. I have been very patient. Of late, I do not think he has been on the bill. I think he has been on specific tax measures and budget debate matters, not the loan act.

Mr. T. P. Reid: Mr. Speaker, I know you do not want to deal with that at the moment because you have not been in the chair to hear what I have been saying.

The Deputy Speaker: And I am in enough trouble with the Treasurer as it is.

Hon. Mr. Ashe: As a matter of fact I had to look up the bill because I didn't know what he was talking about either.

Mr. Cooke: The Minister of Revenue probably didn't read the bill anyway.

Mr. Wrye: He is busy training the new tax collectors. He has 10,000 or 15,000 to train.

The Deputy Speaker: How about being general for a while?

Mr. T. P. Reid: The Minister of Revenue is probably in the worst position of all. He is the one who gets to carry the can for the Treasurer in carrying out all these measures and collecting the tax. When his people come calling, it is probably the Minister of Revenue who gets sworn at rather than the Treasurer. There is no person who deserves that more than the Minister of Revenue.

The Treasurer has indicated he does not think I am speaking to the bill. I want to refer to the public accounts for 1980-81 and we will discuss those for a while because they relate. I am sure, Mr. Speaker, you will allow me the time to find all the exact matters I am looking for here because I want to tell the Treasurer we are very serious about what we are doing here. We are serious about giving the people of Ontario an opportunity to have their say on these budgetary matters and we hope the Treasurer will have time to reflect on this and consider having some committee hearings and calling witnesses on these matters while we are making our points.

If you look at the public accounts for 1980-81 you will find all of the matters relating to the bill there. Subsection 1(1) of the bill says:

"The Lieutenant Governor in Council is hereby authorized to raise from time to time by way of loan in any manner provided by the Financial Administration Act such sum or sums of money as are considered necessary for discharging any indebtedness or obligation of Ontario, for making any payments authorized or required by any act to be made out of the consolidated revenue fund or for reimbursing the consolidated revenue fund for any moneys expended for any of such purposes, provided that the principal amount of any securities issued and temporary loans raised under the authority of this act shall not exceed in the aggregate \$2.25 billion."

If you look at the public accounts, particularly pages 1-3, 1-4, 1-5, 1-6, 1-7, and also page 1-8, you will see the statement of assets and liabilities as at March 31, 1981; and you will see there, among other things, the matters referred to in the bill to some extent. Advances to Ontario Hydro for 1981, secured by bonds, were \$4.19 billion; investments in water treatment and waste control facilities, at cost less recoveries—it says see note 4—are \$1.116 billion; loans to municipalities were \$367 million; other loans and investments were \$212 million. That

gives us a total net debt, according to the public accounts, of \$23.738 billion. That is an increase over 1980, which was \$21.924 billion.

Those were the assets that I just read off. If you look at the liabilities you will see pension funds, see note 6, \$2.09 billion. When you look at explanatory note 6, which you will find on 1-10, you will find Pension Funds: Public Service Superannuation Fund, \$2.072 billion.

It says something very interesting here: "Based on the latest actuarial report as at December 31, 1979, the Public Service Superannuation Fund had unfunded liabilities as follows:

"1. An initial unfunded liability of \$83 million, upon which an interest contribution of \$7 million is required to be credited annually in accordance with the Pension Benefits Act."

Also very interesting for the Treasurer's edification, because he may not have read this recently: "2. Residual unfunded liabilities of \$233.5 million which are required to be amortized by annual payments of \$33 million until January 1, 1990, and \$32 million on January 1, 1991 and 1992."

Isn't that interesting? That is what we are dealing with in this bill, and the Treasurer is asking us to borrow more money from these pension funds when they already have been so poorly managed over the years. If you look on page 1-11 you can see the notes to the financial statements that deal with debentures and notes, some of which will presumably be raised by authority of this act. But if one looks at the teachers' superannuation fund, and this has always bothered me—this is section 10 of the financial statement notes:

4:50 p.m.

"Through the budgetary expenditures of the Ministry of Education the province makes annual contributions to the teachers' superannuation fund, which is administered by the Teachers Superannuation Commission, equal in amount to contributions by members. Further, the province is committed to paying any deficiency in the fund."

This is something that bothers us very greatly on this side. It is again a matter my leader has raised with the Treasurer. I raised it with the then Minister of Education—I believe it was the member for Scarborough North (Mr. Wells) at the time—and that is this: when there are contractual agreements with the teachers and a school board with regard to their pensions that are negotiated, the province automatically agrees, according to this note and as we know, to make

a contribution equal in amount to that of the teachers.

In other words, the local or regional school boards are negotiating pensions with the regional or local school teachers and yet the taxpayers—under the authority of the Minister of Education—are required by fiat to match those contributions. So in effect the school boards are negotiating this with their local Ontario Secondary School Teachers' Federation or Ontario Teachers' Federation, yet the province is picking up the cost of paying for those pension funds.

It is a matter I have never understood. I cannot think of any other collective bargaining system in the world where somebody bargains with somebody else and then somebody else pays the tab. That is nice work if one can get it. I am very concerned about that. I have never had a satisfactory explanation of how that works. Perhaps Mr. McIntyre knows. There is an old story about finance: that only two people understand it and they do not agree. But perhaps the Treasurer in his remarks on my comments and those of my colleague, which I am sure will be lengthy, will have something to say about that.

NOTICE OF DISSATISFACTION

The Deputy Speaker: Pursuant to standing order 28(b), the member for Ottawa East (Mr. Roy) has given notice of his dissatisfaction with the answer to his question given by the Treasurer concerning charitable institutions and sales tax and this matter will be debated at 10:30 p.m.

Mr. Wrye: Mr. Speaker, on a point of order, which minister was it?

The Deputy Speaker: The Treasurer.

Mr. Roy: The Treasurer is the policy maker. We want to know if he is taxing those charitable institutions or not. That is what we want to know.

Hon. Mr. Pope: This was all discussed last week in question period.

Mr. Wrye: Not satisfactorily.

The Deputy Speaker: If I recall the question was directed to the Treasurer. The Treasurer responded and indicated the Minister of Revenue should actually respond. However, at that time, we terminated question period.

Mr. Wrye: Since they said two things last week—

The Deputy Speaker: I know the Minister of Revenue answered, but the Treasurer answered

on the basis of having the Minister of Revenue answer.

Mr. Roy: The question was asked of the Treasurer.

The Deputy Speaker: The Minister of the Environment has a point of order.

Hon. Mr. Norton: May I suggest a possible solution to this situation?

The Deputy Speaker: Yes, you sure may.

Hon. Mr. Norton: In view of the fact that the question was placed right at the end of question period, I wonder if it would be inappropriate to request that the member for Ottawa East might extend his stay in the Legislature by one day, either way, this week, so that he might ask the Treasurer or the Minister of Revenue a further question. When he comes only two days a week it is a little difficult to get in all those questions.

Mr. Roy: Mr. Speaker, if we are to believe the minister earned his law degree he should be able to read the standing orders. The standing orders provide for it on Tuesday evenings upon adjournment at 10:30. That is what I have asked for and I really do not have any choice. If the minister continues to reason like that he is going to have to give back his QC.

The Deputy Speaker: It will be to the Treasurer under standing orders.

ONTARIO LOAN ACT (continued)

Mr. T. P. Reid: Mr. Speaker, I lost my train of thought. Perhaps I should start at the beginning. It is interesting to hear the lawyers talking about their QCs.

The Deputy Speaker: I do not have one.

Mr. T. P. Reid: You do not have one? You have probably wondered what "QC" stands for. I can tell you. A QC after a lawyer's name means "quite costly"—in case you were wondering.

I was talking about the matters in the bill, how they relate to the public accounts and how the bill is going to affect the people of Ontario. We were talking about treasury bills and really did not get much of an explanation from the Treasurer as to how much we are going to raise on the treasury bills and so on. Let me read subsection 1(2) of the bill:

"The sum of money to be authorized to be raised by subsection 1 for the purposes mentioned therein shall include the principal amounts of province of Ontario debentures issued to the Teachers' Superannuation Fund under authority of the Teachers' Superannuation Act and to

the Ontario Municipal Employees Retirement Fund under authority of the Ontario Municipal Employees Retirement System Act, but shall be in addition to all sums of money authorized to be raised by way of loan under any other act."

There is a very serious principle here. In effect we are giving a lot of authority to the Treasurer because he has authority already under a number of other acts and does not have to come back to the Legislature for it. This bill allows him to raise money under that other legislation and also authorizes an additional \$2.25 billion.

Section 2 of the bill reads, "No money shall be raised by way of loan under subsection 1 (1) except to the extent authorized by order of the Lieutenant Governor in Council made prior to the 30th day of September 1983." So we are going to be into the next fiscal year. The Treasurer is going to have raised the money not only for this fiscal year but for another eight months into the next fiscal year, without having to come back to this House for approval.

The people over there wonder why we are concerned about accountability and responsibility. We have seen the way they operate. They bring in tax changes by regulation; tax changes like personal income tax where they say, "We are not going to announce this next year when we raise it by two per cent." They bring in ad valorem taxes so that we do not get a chance to bring it to the attention of the public in our own humble way. Yet they come before us and ask for authority to borrow until September 1983.

Because of the experience we have had with this government and because of their track record, we are not going to vote this kind of authority if we can help it.

Mr. Speaker, before you made an announcement about my colleague and the Treasurer being here for the late show tonight, I was referring to the public accounts, where we find the matters in the explanatory notes referred to.

If we look at Bill 111, as I was indicating, and somebody wants to check the page number, we will find contingent liability. This means that the province is the guarantor of certain debt obligations, as follows: the province of Ontario, for instance, guarantees the debentures, bonds and notes of Ontario Hydro to the tune of \$8.182 billion in 1981.

5 p.m.

We have had questions here in the last day and today about the responsibility for Ontario Hydro. My colleagues, both on this side and on my left, have raised questions about how Hydro

operates. Part of the money the Treasurer is going to borrow is to pay the increase in the civil servants' salaries, which he has restricted for those in the senior levels to six per cent.

Yet what are they doing across the road in that beautiful glass building? What are they doing? The member for Niagara Falls (Mr. Kerrio) tells us that they are giving increases to their staff of 22 to 24 per cent. They are threatening us with increases in the cost of hydro to the tune of about 54 per cent over the next three years.

The Treasurer comes before us today and says he wants money for these kinds of programs yet he can see the biggest spender in the province out his window. He is even closer than the Premier because of where he is located. His friend Hugh Macaulay and company are snubbing and thumbing their noses at the Treasurer by doing what they have done. How can the Treasurer come before this assembly and give us what he has given us—

The Deputy Speaker: Order. A point of order.

Hon. F. S. Miller: Those facts are wrong.

Mr. T. P. Reid: I am sorry. Is Hydro not giving their people a 24 per cent increase?

Mr. Nixon: Sure, they are.

Hon. F. S. Miller: No, they are not.

Mr. Nixon: Why don't you announce the withdrawal of that policy because that is what they said.

Mr. Kerrio: They are going to go for a billion dollars for their payroll this year.

The Deputy Speaker: Well, carry on.

Mr. T. P. Reid: The point is, that we as the Legislature and we as the province, are guaranteeing Hydro's costs. We are paying them. We are guaranteeing their bonds. The Treasurer speaks of raising money by way of loan, by this bill, from the pension plans and other programs. He keeps saying we are staying out the capital markets of North America, but Hydro is consistently going to those capital markets and we are guaranteeing those bonds. They are using the space that might otherwise be allotted to Ontario or be made available, so we are in the position of guaranteeing what they are doing over there and yet, according to the Premier, we have no control and we cannot tell them what to do.

How does the Treasurer square that with his Board of Industrial Leadership and Development program, in which they announced that they were directing Hydro—or requesting if they like that word—to go ahead with the

nuclear energy program and certain other things in Hydro? I was reading Hydro's annual report today, signed by Mr. Macaulay, the first paragraph of which said: "We have been directed by the Ontario government" to do this, this and this, and "we are happy to expand what we are providing to the people of Ontario." The Premier stood in his place and washed his hands once again on the rate increases that are coming and on the salary increases which, whatever they are, are going to be more than six per cent.

The Deputy Speaker: This works into the bill, does it?

Mr. T. P. Reid: Yes. It is related to the loan program of the province, Mr. Speaker.

I remember years ago—I go back to the years of George Gathercole, that is how long I have been here—and for the first time—

Mr. Nixon: You mean the guy who used to write speeches for the Premier?

Mr. T. P. Reid: That is the one.

It is unfortunate that the member for Burlington South (Mr. Kerr) is not here because he was the Minister of Energy at the time. He was mugged in the corridors of power long before the member for Prince-Edward-Lennox was. They really did a job on him. I remember we finally got Ontario Hydro before a committee of the Legislature. It was unheard of up to that point.

I said something to Mr. Gathercole at that point that he never forgave me for because he was quite proud of Hydro, and one cannot blame him. I said, "You know, Mr. Gathercole, Ontario Hydro is like Frankenstein's monster." He said, "What do you mean by that?" I said, "We created you by an act of this Legislature but we cannot control you."

Things have changed a little, because now we have the Premier's bosom buddy, Mr. Macaulay, who I think is quite competent, over there as chairman. But we go back to the smoke and mirrors. When Hydro does something good or they want to take credit for whatever Hydro is doing, they rearrange the mirrors so they reflect the image of the Premier of Ontario and the Conservative government saying: "We and Ontario Hydro are one. Are we not marvellous and are we not doing a good job?"

When things look a little black for Hydro, we change the smoke machine and the focus of the mirrors so it focuses back on Mr. Macaulay and Mr. Nastich. They become the villains. The Premier gets obscured in that blue cloud and says: "Of course, I have nothing to do with

Hydro. I cannot control them and tell them what to do."

We talk about responsibility and accountability. One has to give the Premier credit because he has been doing this smoke and mirrors trick for many years and he has got away with it. I suggest he will not do so for much longer.

I presume all these funds the Treasurer is going to raise by these loans are going to be in Canadian funds. If one goes down the list one will see borrowings from the Canada pension plan. We presume those are Canadian dollars. We are not sure in the case of the Ontario Treasury bill program. I presume those will be—

Hon. Mr. Ashe: They will be.

Mr. T. P. Reid: They will be. The Canada Mortgage and Housing Corp. waste control loans, federal-provincial—we assume all these will be in Canadian dollars.

Mr. Speaker, if you look at page 1-11 of the Public Accounts of Ontario—and I know you have never before been this exposed to what is in the public accounts, although it makes very interesting reading as the people in Treasury will tell you. I think there is only about one person in this world who goes through them carefully. That is the person in the Treasury who compiles them.

If one looks at the debentures and notes already issued by Ontario, a lot of them, \$16 billion, are in Canadian dollars. Some are in United States dollars. We do not have to say what has happened to the exchange rate there. We even have some in deutsche marks.

Mr. Nixon: Oh, yes.

Mr. T. P. Reid: That brings back another memory. I can remember it well. The member for Brant-Haldimand-Norfolk and other places south, west, east and north, was then the leader of this party. I recall him challenging the Treasurer of the day as to why he was borrowing money in the German capital market because, if anything happened to the exchange rate, we were going to wind up paying a lot more than the one per cent, I believe it was, we were saving in terms of foreign exchange. We were saving from one per cent to 1.5 per cent in interest on that transaction.

My leader at the time said: "What is going to happen? Do you have any guarantees? Are you paying it back at the exchange rate as it exists today?" I think the Treasurer was Darcy McKeough who generally was probably the most competent I have seen in my years here.

He said: "Don't worry. Everything is under control. We have it all worked out." Of course, the deutsche mark appreciated in terms of the Canadian dollar and the grateful taxpayers of the province got stung once again.

Now the Treasurer, who is part of the government making the decisions, is back before us asking for more loans.

5:10 p.m.

I started out by talking about the other matters in the public accounts that are relevant to the bill we are speaking about, and I had referred you, Mr. Speaker, to the first number of pages. But if you look at the Statement of Nonbudgetary Transactions on page 1-6, which refers to some of these matters—for instance, the Canada Mortgage and Housing Corp. waste control loans, the federal-provincial-municipal loan program—you will find for the year ended March 31, 1981, water treatment and waste control facilities budgeted at \$31 million; loans to municipalities, \$25 million; and other loans and investments, \$18 million. He must be able to keep his books so he says he has other loans of \$18 billion, but they are too small or too unimportant.

Mr. Nixon: Eighteen what?

Mr. T. P. Reid: It is \$18 million, but they are too small, presumably, to really care about. The Treasurer has now certainly outdone C. D. Howe. He is now saying, "What is \$18 million?"

On that page in the public accounts you will find some of these matters referred to in the explanatory notes of this bill.

If you also look at the disbursements, which are quite interesting, we will not refer to the Ontario Land Corp., which has been a subject of review in the public accounts committee; what we are really interested in is the water treatment and waste control facilities. The budget for that in 1981 was \$126 million, and loans to municipalities were \$34 million. These are the disbursements; this is the money that was being spent that presumably will be spent as well as a result of the bill we are debating today.

It is interesting as well that there are some trust administration functions there dealing with pension funds of \$368 million; there is the Province of Ontario Savings Office deposits—net increase, \$74 million. What that means is the government has taken that money and put it into the consolidated revenue fund.

You may not be aware that the Treasurer has this little slush fund which once in a while makes him a little profit.

Mr. Nixon: Deposits just drop through the bottom of the drawer and end up in the official pot.

Mr. T. P. Reid: That is about it.

So the total for nonbudgetary transactions for last year is \$462 million. I presume they will be higher this year as the Treasurer takes the money he is going to vote himself in Bill 111.

On page 1-7 of the public accounts, in the statement of the debt transactions for the year ended March 31, 1981, are Proceeds of Loans, Nonpublic. That means we have not borrowed on the public capital markets; what we have done is to borrow, in this case from the Teachers' Superannuation Fund. In 1980 we actually borrowed \$537 million. In the 1981 budget of the same Treasurer, the estimate was \$547 million, but the actual borrowing from the Teachers' Superannuation Fund was \$569 million, \$22 million more than the Treasurer predicted.

If you look at the Canada Pension Plan Investment Fund, in 1980 they borrowed \$988 million. That was a good year for the Treasurer. In the 1981 budget, they forecast an estimated borrowing of \$550 million but actually borrowed \$538 million, \$12 million less than they had budgeted for.

Coming to Canada Mortgage and Housing Corp. waste control loans: in 1980 the government borrowed \$42 million. The budget estimate in 1981 was \$24 million and the amount borrowed was \$30 million, or \$6 million more than the Treasurer had budgeted.

The actual total proceeds of loans in the actual 1981 budget was \$1,137,000,000, but the estimated total was \$1,121,000,000; which means that the Treasurer borrowed \$16 million more than he had budgeted.

That, for the Treasurer, was quite good; but these matters are handled by the experts within the treasury department rather than by the Treasurer himself. The people in the treasury department know that the Treasurer is not to be trusted to deal with these matters.

It is of interest to note that we retired loans amounting to \$26 million last year. We wonder how much will be retired this year by the proceeds of these budgets we are looking for. Actually, the total retired loans were \$169 million last year, taking into account the general purposes and treasury bills which were retired.

Again, of course, some of this is smoke and fire. That is, we retire a certain lot of bills this year and raise more money by putting out new

bills at an interest rate that probably will be fairly healthy even with the way the Treasurer and his people tend to raise the money; that is, with interest rates that are sometimes below market value. It would be interesting to find out how much we are going to raise by way of treasury bills and what interest rates we expect.

I have already referred to Ontario Hydro transactions but I am sure members will take the time to look at page 1-7 of the public accounts for 1980-81, where there is a section dealing with the statement of Ontario Hydro transactions for the year ended March 31, 1981. It shows: Proceeds of debentures (note 2), \$500 million. We were quite proud at the time because it was so well received on the New York market. It will be interesting to see what happens in the next few years when things are not quite so rosy in Ontario.

I have already referred to this, but it is still interesting to see that the statement of assets and liabilities on page 1-8 of the public accounts is signed by the former Deputy Treasurer and Deputy Minister of Economics, A. Rendall Dick. It would be unfair to say that he fled from the Treasurer's incompetence, but he is now Deputy Minister of the Attorney General. Mr. George McIntyre, probably one of the more indispensable of civil servants, is still with us and, fortunately, continues to make the Treasurer look good.

Turning to page 1-10 of the public accounts —and this could be quite an education for the Treasurer's parliamentary assistant; as yet we have not figured out what he does, but perhaps he could occupy himself by reading the public accounts and beginning to understand what happens in Ontario, although he must be part of that overall envelope of secrecy with which the Premier and Treasurer like to surround themselves, because we still do not know what he does. We have yet to hear him do anything other than read a speech at the ladies' sewing circle meeting the Treasurer has decided he does not want to attend.

5:20 p.m.

Hon. F. S. Miller: What about the pension fund? He has done all the pension funds.

Mr. T. P. Reid: He has done all the pension funds. There was not a word in the budget about the pension funds. We had the royal commission and the select committee, and yet in the budget there is not one word about pensions. I must admit it is not a subject that absolutely grabs everyone, but it certainly is going to have

more impact on more people than even Suncor or anything else. Yet there is nothing in the budget that refers to what the government intends to do or whether it is even a concern. The budget this year was simply a survival document from which the Treasurer hopes to escape with as much of his skin as possible. He certainly made some very bad judgements in that respect.

If his parliamentary assistant is handling all the pension business, he certainly is keeping that to himself as well, because we would—

Mr. Nixon: Is that Terry?

Mr. T. P. Reid: I think it is Terry. They are even keeping his name secret.

The Deputy Speaker: That is the member for Mississauga North (Mr. Jones). As the Solicitor General (Mr. G. W. Taylor) so rightly pointed out to us last week, we should be referring to members by their title or riding or whatever.

Mr. Nixon: I did not know he was the parliamentary assistant.

Mr. T. P. Reid: In any case we would be glad to hear what the parliamentary assistant does and what the Treasurer's views are with regard to pensions. We know for instance—

The Deputy Speaker: Back to the bill.

Mr. T. P. Reid: The Treasurer interjected and said, "What about pensions?"

The Deputy Speaker: Don't answer the interjections. Just behave and speak to the bill.

Mr. T. P. Reid: I am. I did not have this much attention from the Treasurer during my budget speech and perhaps I should run that through again. He did me the courtesy of staying for about the first half hour and then found other things to occupy himself. Perhaps I should start with my budget speech and run that through.

We would be very interested in hearing from the parliamentary assistant, who up until now has been muzzled by the Treasurer. When Osaka Frank was over in Japan, we asked whether we could ask questions of the parliamentary assistant and the Premier said "No," having no faith in any of the parliamentary assistants, for which we cannot blame him in some cases. He would not allow the Treasurer's parliamentary assistant to answer questions about anything. We wonder what they are doing for the extra \$8,800 they are receiving.

I would like to refer to page 1-10 of the Notes to the Financial Statements of the Public Accounts for 1980-81:

"Investments in Water Treatment and Waste Control Facilities.

"The Ministry of the Environment lets extensive contracts for the building of water and sewage systems to serve municipalities. These investments are being recovered over the life of the agreement with the municipalities. Agreements covering \$1,022,000,000 of the investment are for provincially-owned projects which are subject to service rate billings. The proceeds from billings are used to amortize the investment over periods up to 40 years, to pay for operating costs and to provide a return on the investment. Certain other agreements provide for the accumulation of the principal portion of annual amortization payments in a sinking fund."

Am I going too fast?

Mr. Nixon: No, no; you are getting good. I think it is called a sinking fund.

Mr. Boudria: Tell us some more about it.

Mr. T. P. Reid: Sinking fund, yes. That is like Suncor.

Mr. J. A. Reed: That is a sinking fund.

Mr. T. P. Reid: You just have a big hole in the floor and you keep pumping \$64 million into it year after year.

Did you want me to start this over again?

The Deputy Speaker: No. I was going to ask if you are going to read that whole book.

Mr. Nixon: Just the relevant parts.

Mr. T. P. Reid: "Certain other agreements provide for the accumulation of the principal portion of annual amortization payments in a sinking fund. The accumulated balance in such funds (included in deposit, trust and reserve accounts) was \$44 million at March 31, 1981 (1980, \$41 million)." We went up \$3 million.

"Since 1978-79, the province has changed its policy and is phasing out its direct investment in favour of assisting municipalities by direct grants."

This is one of the problems we have with bills like this and trying to get a handle on just where we are financially in Ontario. The government consistently changes its manner of bookkeeping. This is the only thing in which it is consistent. For instance, we heard from the Treasurer's predecessor at one point that we had taken everything on the books of Ontario—the roads, the schools, the hospitals, all the capital investment, we put all that on the books of Ontario at \$1; that was the total value of all the capital investment in Ontario.

Trying to put the best face on it so he could bring a bill like this before us to ask for authority

to raise money to pay for his deficit, the Treasurer says in this year's budget, "The capital investment in Ontario in terms of roads, municipal structures, and so on is about"—and this figure may astound you, Mr. Speaker—" \$2.25 billion or \$2.5 billion." If we put that on the balance sheet, it comes out to a deficit of roughly \$2.23 billion. I will wager a dinner at Winston's and forecast it will be at least \$2.5 billion before we are finished. I am being a little conservative, because the Treasurer might take me up on the bet.

We are saying now that all the capital structures the taxpayers have been paying for years, and will pay for years to come, are now equal to the deficit. By going back to our smoke and mirrors, we have rearranged everything because all these things used to be worth \$1 on the books of Ontario. All these good things are now worth \$2.25 billion, so in reality—and the Treasurer did not even smile when he read this—we do not have a deficit at all, we just have an investment in the capital projects in Ontario.

That kind of chicanery, moving the mirrors and the smoke around, is not going to wash any more. We will not allow the Treasurer, the Premier and the cabinet to come before us with these kinds of bills without holding them and the government as accountable and responsible as possible. Because of the lack of interest in the media at large in these rather esoteric things, the only way we can do that is to ask that the Treasurer's budgetary measures, such as the Retail Sales Tax Act and the other acts, be brought before a legislative committee that will have the power to ask for people, papers and things and the ability to call witnesses.

It is passing strange that the present Treasurer went after the federal government because it was so secretive about its budgetary process. There is no one more secretive than the Treasurer, although there were a few leaks he does not want to admit to. He will not even answer our questions about how many times instructions were sent to the Queen's Printer to change the budget.

5:30 p.m.

He exercised the federal Minister of Finance as to how the budgetary process was not open enough. We agree with that on this side, and we say: "Let's open it up. Let's allow the citizens who are being directly affected by these budgetary measures to come before a committee."

Mr. Philip: You should have said that to MacEachen.

Mr. T. P. Reid: I hear barking behind me.

Mr. McClellan: MacEachen.

Mr. Cooke: Your finance minister.

Mr. T. P. Reid: He is not my finance minister.

Mr. Cooke: He is your finance minister.

Mr. T. P. Reid: He is not my finance minister.

Mr. Peterson: Don't expect the NDP to understand.

Mr. Cooke: They tried to stop him but, like Reagan, he got through.

Mr. T. P. Reid: Mr. Speaker, that is what these bills are all about. It is our job to bring these matters to the attention of the public. The public now is aware of a lot of these iniquitous facts. We have those clergymen out on the front lawn who are doing their best to bring to the attention of the public the impact of the budgetary measures. That is our job as well.

We in the opposition are obviously powerless to change any matters in the Treasurer's budget. The only thing that is going to change the minds of the Treasurer and the Premier is the impact of public opinion when people are outraged enough that they make the Treasurer and Premier aware what a burden these taxes are on them. Then perhaps a little common sense and humaneness will find its way into the budget for other than those people who have incorporated small businesses. That is our job. We try to focus attention on these matters and give people an opportunity to have their views known.

I was talking about the notes to the financial statements on page 1-11 of the public accounts in regard to debentures and notes. I was talking about the way we keep our books in Ontario, and maybe there is a good and cogent reason. I have already said we have loans outstanding in United States dollars and in deutsche marks. There is a note under this statement: "The US dollar debenture liability of \$3,709,000,000 is recorded at par with the Canadian dollar and, with the exception of \$18.1 million, has been incurred on behalf of Ontario Hydro."

Mr. Breithaupt: What is that in real money now?

Mr. T. P. Reid: There is a 20 per cent difference at least because of the exchange rate. There is no note here that says we have to take into account that the cost to the Ontario taxpayers is really more. The note continues:

"At March 31, 1981, the Canadian dollar equivalent was \$4,401,000,000. As explained in

note 2, the province holds an asset of US dollar bonds of Ontario Hydro recorded at a par value of \$3,690,400,000. These bonds have the same terms and conditions as the security of the province and at March 31, 1981, the Canadian dollar equivalent was \$4,380,000,000." They tend to balance off if everything works out right.

It adds: "The province has borrowings of 114 million deutsche marks recorded at \$33 million, the Canadian dollar equivalent at the time of issue. At March 31, 1981, the Canadian dollar equivalent was \$65 million."

If one reads the notes carefully, one will see that the equivalent of deutsche marks we owe is \$33 million but, because of the appreciation of the deutsche mark against the Canadian dollar, the actual money that has to be repaid, as in the public accounts document for 1981, is actually \$65 million. Now, how many people are going to bother reading the explanatory notes?

Mr. Roy: The members of this caucus do.

Mr. T. P. Reid: And this finance critic is one of them.

Mr. Peterson: The best finance critic in the history of the province's Liberal Party.

Mr. Breithaupt: Other than the previous two.

Mr. T. P. Reid: Mr. Speaker, there are—

Mr. Breithaupt: You could go on at length.

Mr. T. P. Reid: I think I will. I did not have this much enthusiasm for my budget speech.

Mr. Breithaupt: Or as large an audience.

Mr. T. P. Reid: That is right. Did the parliamentary assistant to the Treasurer and Minister of Economics, the member for Mississauga North (Mr. Jones), leave just as I was trying to educate them? There he is. I refer him to page 4-110 of the public accounts for 1980-81, where there is a statement of budgetary revenue. We are really more interested in the statement on page 4-111, because the bill number is 111 and—

Mr. Roy: Very good, Patrick.

Mr. T. P. Reid: I thought you would be interested in that.

The Deputy Speaker: That is how it connects to the bill, I gather.

Mr. T. P. Reid: One finds in that statement, amongst other things, that investment in water treatment and waste control facilities for 1981 was \$6,770,210. It also shows loans to municipalities through the federal-provincial winter capital projects fund, the Municipal Works Assistance Act; municipal debentures—the Municipality of Metropolitan Toronto, federal-

provincial employment loans and federal-provincial special development loans.

These are some of the loans that are going to be affected by this bill under which we are giving the minister the opportunity to raise revenue until September 1983. I would like to know from the Treasurer why he is asking authority for that far in advance? Again, we say that we do not want to give him authority that far into the future.

The fiscal year runs from April to March inclusive. The current fiscal year will run to March 31, 1983, and we would rather see another bill come in shortly after that time from the Treasurer or his successor. It may well be that by then the member for St. Andrew-St. Patrick (Mr. Grossman), who is perhaps already in the lead for the leadership, will have elbowed the Treasurer out of the way and the Treasurer will be back in Muskoka running Santa's Village and perhaps a happy man once again.

It is interesting that the usual good humour of the Treasurer has been noticeably lacking in the past couple of weeks. It may well have been something he ate in Japan, I do not know. From my information, it certainly was not what the Japanese said about the automobile industry or what they were going to do vis-à-vis auto exports from Japan to Ontario. My information from an undercover Japanese Liberal-Labour member—

Interjections.

Mr. T. P. Reid: They do have a certain problem with the language in Rainy River.

The Treasurer did not really get into a discussion about automobile imports of Japanese cars into Ontario. I wonder if the Treasurer was over there—

Mr. Philip: You guys can't even run a candidate that far west.

Mr. T. P. Reid: What is that barking going on?

Mr. Philip: The Liberals can't even run a candidate that far west.

Mr. T. P. Reid: I remember my friend, the dear departed Elmer Sopha, making a speech in the Legislature one night. He was in full flight, as only Elmer could be. The press gallery was packed, as it always was when Elmer was riding high. I believe he was going on about the Queen, of whom he was not inordinately fond.

Mr. Breithaupt: She has always spoken well of him.

Mr. T. P. Reid: Yes, but he was in full oratorical flight. The member for York South (Mr. MacDonald), as usual, paled in compari-

son to Elmer's oratorical flight but was trying to get into the act. He had a better seat than the honourable member who has been barking lately, but he was still trying to get into the act because he could not stand to be upstaged by Elmer.

5:40 p.m.

The Deputy Speaker: That is a good story.

Mr. T. P. Reid: Elmer was really going at it, and everybody's attention was riveted to Elmer. The member for York South was making so much noise that Elmer finally stopped. He turned and looked at the member for York South. Then he turned back to the Speaker and said, "Mr. Speaker, the dog barks but the caravan moves on." That was the end of the member for York South for that particular sitting, and that will be the end of the member for Etobicoke (Mr. Philip) for the day.

Before I was so rudely interrupted, Mr. Speaker, I was going to refer you to page 4-113 of the public accounts and to something there called Statement of Receipts. I am sorry; I have the wrong page. Actually, nothing on that page is related to this bill, Mr. Speaker, and I beg your indulgence. It is not the Statement of Receipts but the Statement of Credits on the same page which I wanted to bring to your attention; so, in fact, I was right.

On that page, under the Statement of Credits for the year ended March 31, 1981, there is the heading Pension Funds and, beneath that, the line Public Service Superannuation Fund, \$361,079,741. This is obviously the money that is raised by the teachers when they make their pension contributions. These are the funds the Treasurer wants to get his hands on by way of Bill 111. Obviously in 1982, with the increase in teachers' salaries, the inflation rate and so on, there is going to be a fair bit more in that pot for the Treasurer to raise under this bill.

Further down that page there is a reserve for unclaimed debenture principal and interest. These are people—little old widows, presumably, and orphans—who have bonds stuck away in their safety deposit boxes. But this is where one will find the money that is raised from the pension contributions by the teachers, which the Treasurer hopes to borrow from by way of Bill 111.

There are a few other matters I just wish to touch on—

Mr. Breithaupt: Briefly.

Mr. T. P. Reid: Briefly, before winding up my remarks on this bill.

Mr. Elston: Don't hurry.

Mr. T. P. Reid: There are those who are suggesting to me that I should not hurry. So perhaps, taking that advice, I will refer to page 4-78 of the public accounts under the heading Government of Canada. These are budgetary revenues, money that the Treasurer gets from the federal government which he does not really talk about when he talks about the established programs financing and all the rest of it. These are other programs through which the Treasurer and the province are recipients of the largess of the federal government. These are the ones where we see all the big signs saying, Province of Ontario, province of opportunity; Treasurer of Ontario, Honourable Frank Miller; and so on. In fact, these are moneys that the Treasurer gets from the federal government.

Mr. Breithaupt: All they want is a little credit.

Mr. T. P. Reid: Yes. If one looks at page 4-78 of the public accounts, one will see Government of Canada and one particular item that relates to this bill, Canada Mortgage and Housing Corp.—sewer construction. This is actually under the Ministry of Northern Affairs, but it is money that the Treasurer gets directly or borrows from the federal government.

In 1980, that sum—listen to this—was \$154,200. In 1981, that terrible federal government of which the Treasurer and the Premier complain and which they blame for all their ills—

Mr. Breithaupt: When it suits them.

Mr. T. P. Reid: When it suits them, again. The sum went from \$154,200 in 1980 to \$1,752,695 in 1981 for sewer construction in northern Ontario. My riding is in northern Ontario, and I travel extensively in northern Ontario, but I have yet to see any of these projects being funded by the federal government. I can tell members that all kinds of people in Ontario, the Minister of Northern Affairs (Mr. Bernier), the Treasurer, the Premier and so many others, were taking credit. It is beyond belief.

They wonder why the federal government says, "Hold on, boys, we have been transferring all these funds to you and lending them to you, or we have these agreements, and you are spending a good part of them on your public relations machine to ensure that you get credit for this and we do not get any." Members can understand why the federal government may be a trifle sensitive about this type of thing. It will be interesting to see, as mentioned under the

section 4 explanatory note for Bill 111, dealing with federal-provincial-municipal loan programs, just how much largess is going to be coming from the federal government this year.

That was what Northern Affairs got. But if one looks, as one can, through the estimates of the various ministries, one will find some kind of federal money transfers from departments of the federal government to almost every ministry of the present Ontario government. There is a federal-provincial agreement, which is very seldom referred to by the Treasurer or the Premier when they are talking about how bad the federal government is to them.

If you will just give me a minute, Mr. Speaker, under the teachers' superannuation plan, which can be found on page 3-7 of the public accounts for 1980-81, members will see that the statement of the superannuation adjustment fund, which was established under the Superannuation Adjustment Benefits Act, 1975, says for the year ended March 31, 1980: "Balances in the fund accounts, on deposit with the Treasurer of Ontario, beginning of year—\$347,153,832."

If we look at the fund account transactions during the year—these are transfers the Treasurer is going to borrow under authority of these bills, presumably—the receipts through the public service superannuation plan, schedule A, were \$43,317,496. If we look at the teachers' superannuation plan, schedule B, they are \$83,812,147; the disbursements were \$8,649,873. One wonders, quite frankly, if anybody can make head or tail of any of these accounts. These can be found, for instance, under section 3 in miscellaneous statements in the public accounts.

An interesting aside to all this is what the Provincial Auditor says at the beginning of the public accounts. If I can just take a moment, Mr. Speaker, you will notice that the public accounts are published by the Ministry of Treasury and Economics. The Treasurer refers them to the Lieutenant Governor, and the Deputy Treasurer and the Assistant Deputy Minister sign the statement that we find in volume 1.

As a former member of the public accounts committee, Mr. Speaker, you will be interested in knowing what the Provincial Auditor has to say on page 1-13 of these very same accounts. There is a page here called Provincial Auditor's Opinion and it states:

"I have examined the statement of assets and liabilities of the province of Ontario as at March 31, 1981, and the statements of consolidated

revenue fund, budgetary revenue, budgetary expenditure, nonbudgetary transactions, debt transactions and Ontario Hydro transactions for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

"In my opinion, these financial statements present fairly the financial position of the province as at March 31, 1981, and the results of its operations and the changes in its financial position for the year then ended in accordance with the stated accounting policies set out in the 'Summary of Significant Accounting Policies' on page 1-2 of volume 1 of the public accounts, which have been applied on a basis consistent with that of the preceding year.

"In accordance with section 12 of The Audit Act, 1977, as amended, a report will be made to the Speaker of the Legislative Assembly."

That was signed by the then Provincial Auditor, F. N. Scott.

The interesting thing about that, Mr. Speaker, and I have already referred to it in your absence, was the accuracy of the statements found in the public accounts and the consistency with which they were reported. It occurs to me that we used to say that all the assets of the province were listed as \$1. In this year's budget the Treasurer says, "We are going to list them at \$2.25 billion. Isn't it marvellous that the deficit we have this year is exactly equal to what we consider is the capital cost of all these roads and so on? Really, there is no deficit."

My point is that the Provincial Auditor really is not in a position to verify all these statements. If challenged, I think he would have a difficult time verifying that they are all as consistent as we would all like to think.

It is interesting that the Institute of Chartered Accountants of Canada has embarked upon a study of government accounting, which it figures will take from between three and years, to bring some consistency to the financial statements of the various provincial governments and the federal government. If this volume of financial statements of Ontario were matched up with the same volumes from Quebec, Manitoba, Saskatchewan, Nova Scotia or the federal government, there would not be a consistent basis of accounting.

The Premier himself asked us to compare Ontario Hydro with any other jurisdiction in Canada and said Ontario Hydro is more efficient than anybody else, although the member

for Niagara Falls (Mr. Kerrio) pointed out to him that is not the case.

But that is a problem in trying to relate the financial status of Ontario to that of Quebec, Alberta, British Columbia, Prince Edward Island or any other province or the federal government. It is a serious problem, because we are spending \$23 billion of taxpayers' money this year.

We are giving the Treasurer authority to raise \$2.25 billion. Yet I would say for every member in this House, with very few exceptions, and I have included the Treasurer in that, there is no understanding of the finances of the province. To a large extent we are at the mercy of the civil servants, as competent as they all are, under the Speaker's gallery.

Mr. Breithaupt: And they are not even all under there.

Mr. T. P. Reid: That is right.

What do we have to rely on? As I indicated to your predecessor in the chair, Mr. Speaker, we have consistently asked for the background studies and papers on which the budgetary transactions of the government are based. But we get very little. Do you know the answers I got, Mr. Speaker?

The Acting Speaker (Mr. Cousens): No.

Mr. T. P. Reid: No? I am glad you asked. I have them here before me. Most of the impact of the various budgetary transactions are based on Statistics Canada projections or figures. I will not bore members about my days of working for the federal government in Ottawa and what I learned about Statscan.

Mr. Nixon: Were you one of the chief economists down there?

Mr. T. P. Reid: I was indeed.

Mr. Nixon: That explains it.

Hon. F. S. Miller: You were a chief economist? Does that ever explain the federal government's deficit.

Mr. T. P. Reid: That was years before.

The fact is, I was given no facts or figures by which I could check to see whether they were accurate. There were no background studies.

In relation to a question I asked the Premier or the Treasurer the other day, I said that when one reads the budget and tries to analyse it to find on what economic analysis and statistics it

was based and where the economic impact of these budgetary measures is going to fall, we have no information with which to do that.

This is the thinnest budget ever in so far as information is concerned. I have come to the conclusion that there is a reason for that. The Treasurer found himself between an extremely hard place and a rock and decided to write the budget on the back of an envelope and see whether it would fly. Everybody said: "We do not have any better ideas; we might as well go for it. We will make somebody happy. Let's make the small businessmen happy this year, and we'll pick up some of the rest in next year's budget."

But there is no basis that the Treasurer can show us on which he has done his homework, indicating where the economic impact and the burden of these taxes is going to fall. It is elementary in economics, I say to my friends, that one tells people where the incidence of any tax increase is going to fall. Yet we do not have any of that analysis or background to judge whether the Treasurer knew what he was doing.

I find that frightening, disconcerting and unbelievable in a government that has been in power for almost 40 years, that has a civil service of something like 80,000 and some 400 in the ministry and all those banks and rows of computers. Presumably the Treasurer is free to call on the best minds in the world. He is able to go to New York for—

Mr. Peterson: A guest speaker for a fundraising party.

Mr. T. P. Reid: But not as a guest speaker. He was going down there to speak, but he has been stuttering ever since he started trying to defend his budget. Presumably he could have asked the people at the Massachusetts Institute of Technology or some other place, "What do I do, given these circumstances?" It is incredible that, given all the resources he has, he could have come up with a document as bad as the one he gave us on May 13.

Mr. Speaker, it is drawing close to six of the clock. I have a few more comments that may be germane to the bill.

The Acting Speaker: The honourable member may break off. There is no need to adjourn.

The House recessed at 6 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
63	2258	1	26	"4(1) Subsection 7(1) of the said act is amended by striking out 'or other person' in the fourth line; "(2) Subsection 7(2) of the said act is repealed; "(3) Subsection 7(3) of the said act is amended by inserting after 'chairman' in the sixth line 'from among the members of the district council.'"
63	2262	1	53	"4(1) Subsection 7(1) of the said act is amended by striking out 'or other person' in the fourth line; "(2) Subsection 7(2) of the said act is repealed and the following substituted therefor: " '(2) Where a member of a council of an area municipality becomes chairman he shall not be deemed to have resigned as a member of such council.' "
67	2425	1	17	"Yours truly, Maureen Dampier, Nipigon

CONTENTS

Tuesday, June 8, 1982

Statements by the ministry

Grossman, Hon. L. S., Minister of Health:

Health protection bill. 2435

McMurtry, Hon. R. R., Attorney General:

Construction lien bill. 2436

Assessment appeals procedure statute law amendment bill. 2436

Oral questions

Ashe, Hon. G. L., Minister of Revenue:

Government dismissal of disabled person, Mr. R. F. Johnston. 2449

Tax on nonprofit organizations, Mr. Roy. 2450

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:

Conversion to condominiums, Ms. Copps, Mr. Philip. 2446

Davis, Hon. W. G., Premier:

Ontario Hydro, Mr. Peterson, Mr. Foulds, Mr. J. A. Reed. 2440

Budget protest, Mr. Foulds, Mr. Peterson, Mr. R. F. Johnston. 2443

Darlington generating station, Mr. Foulds, Mr. Kerrio. 2444

Grossman, Hon. L. S., Minister of Health:

Queen Street Mental Health Centre, Mr. McClellan, Mr. Ruprecht. 2447

McMurtry, Hon. R. R., Attorney General:

Identity of accused attacker, Mr. Shymko. 2448

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:

Budget protest, Mr. Peterson, Mr. Foulds. 2438

Tax on nonprofit organizations, Mr. Roy. 2450

Norton, Hon. K. C., Minister of the Environment:

Hydro exports, Mr. Elston. 2449

Report

Standing committee on social development, Mr. Shymko, agreed to. 2452

First readings

Health Protection Act, Bill 138, Mr. Grossman, agreed to. 2452

Construction Lien Act, Bill 139, Mr. McMurtry, agreed to. 2452

Assessment Appeal Procedures Statute Law Amendment Act, Bill 140, Mr. McMurtry, agreed to. 2452

Second reading

Ontario Loan Act, Bill 111, Mr. F. S. Miller, Mr. T. P. Reid, recessed. 2452

Other business

Commissioners of estate bills, Acting Speaker, tabled. 2435

Members' anniversaries, Mr. Van Horne, Mr. Laughren. 2437

Correction of record , Mr. Boudria.....	2437
Nuclear war film , Deputy Speaker, Mr. Cassidy.....	2450
Wild rice harvesting moratorium , Ms. Bryden.....	2450
Nursing home care , Mr. Cooke.....	2450
Notice of dissatisfaction , Mr. Roy.....	2451
Withdrawal of unparliamentary language , Mr. Rotenberg, Mr. Roy, Mr. F. S. Miller, Mr. Ashe, Mr. Gregory, Mr. Nixon, Mr. Martel.....	2451
Recess	2474
Errata	2475

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L., Minister of Revenue (Durham West PC)
 Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)
 Boudria, D. (Prescott-Russell L)
 Bradley, J. J. (St. Catharines L)
 Breithaupt, J. R. (Kitchener L)
 Bryden, M. H. (Beaches-Woodbine NDP)
 Cassidy, M. (Ottawa Centre NDP)
 Cooke, D. S. (Windsor-Riverside NDP)
 Copps, S. M. (Hamilton Centre L)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
 Davis, Hon. W. G., Premier (Brampton PC)
 Eaton, Hon. R. G., Minister without Portfolio (Middlesex PC)
 Elston, M. J. (Huron-Bruce L)
 Foulds, J. F. (Port Arthur NDP)
 Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)
 Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
 Johnston, R. F. (Scarborough West NDP)
 Kerrio, V. G. (Niagara Falls L)
 Laughren, F. (Nickel Belt NDP)
 MacDonald, D. C. (York South NDP)
 Martel, E. W. (Sudbury East NDP)
 McClellan, R. A. (Bellwoods NDP)
 McMurtry, Hon. R. R., Attorney General (Eglinton PC)
 Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)
 Philip, E. T. (Etobicoke NDP)
 Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
 Reed, J. A. (Halton-Burlington L)
 Reid, T. P. (Rainy River L-Lab.)
 Rotenberg, D. (Wilson Heights PC)
 Roy, A. J. (Ottawa East L)
 Ruprecht, T. (Parkdale L)
 Ruston, R. F. (Essex North L)
 Shymko, Y. R. (High Park-Swansea PC)
 Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
 Van Horne, R. G. (London North L)
 Wrye, W. M. (Windsor-Sandwich L)



Ontario.

RS
No. 69

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Tuesday, June 8, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Tuesday, June 8, 1982

The House resumed at 8 p.m.

ONTARIO LOAN ACT (continued)

Resuming the debate on the motion for second reading of Bill 111, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

Mr. Speaker: The honourable member for Rainy River.

Hon. F. S. Miller: He was finished at six o'clock.

Mr. T. P. Reid: Mr. Speaker, the Treasurer has indicated I was finished at six o'clock. Actually I had just made my introductory remarks. I was about to get into the meat, shall we say, of my criticism of Bill 111 and my comments on the principle of the bill, which is to allow the Treasurer to have the authority to raise money by lending it, in effect, from various—

Mr. Foulds: Borrowing.

Mr. T. P. Reid: Borrowing, sorry. One lends to someone and one borrows from someone. This Treasurer has been in the iniquitous position of borrowing from someone else ever since he became Treasurer.

I want to deal with the principle of Bill 111 which is to give authority to the Treasurer to borrow up to \$2.25 billion from various emanations. Some of these are not from the government but most of them, such as the teachers' superannuation fund, are.

Mr. Speaker, I am sure you have been busy with your other duties. I am sure you have been in your own constituency of Peterborough doing things that will ensure your election next time or carrying out matters on behalf of this Legislature which for one reason or another have kept you away from the House this afternoon. I feel constrained to repeat some of the matters you missed early in the day so you will be fully apprised of my comments in regard to Bill 111.

Mr. Speaker: Order. For the information of the member for Rainy River and all other members, I was indeed within the confines of this building this afternoon and I had the pleasure of listening to what you said earlier.

There is no need to repeat it. I would ask you to carry on.

Mr. T. P. Reid: Mr. Speaker, in that case you no doubt enjoyed it so much the first time you would double your pleasure if not double your fun by hearing it all over again. However, I will not presume on your patience to do that. I feel honoured not only by your own august presence tonight but by that of the Treasurer and his parliamentary assistant.

I did not have that benefit when I made my comments on the budget speech. Given my experience in this House when there were major speeches, whether it was by the Treasurer, the opposition critic, the unofficial opposition or the third party, whatever they are called, I found they were greeted and received with some interest on the other side. I do not know to what I should ascribe the presence of the Treasurer and his parliamentary assistant. We were not sure, quite frankly, who the parliamentary assistant was.

I have a cartoon which I will in time send to you, Mr. Speaker. It was one of those Frank and Ernest cartoons—in the comic section where I always look for the Treasurer. It was a cartoon that indicated the judge had told Ernest that public information was really none of his business. I feel somewhat that way about the parliamentary assistant. As you may have heard this afternoon, Mr. Speaker, we never hear from the parliamentary assistant. The Premier (Mr. Davis) has effectively muzzled him and we do not really know what he does.

I want to deal with the bill as presented. I will speak as I always do to the principle of the bill. I want to review a couple of things because I am sure the acting House leader of the Conservative Party has probably missed the cogent points I wished to make this afternoon. He was flitting about the House like a butterfly trying to see what he could do about the smooth running of the government.

I notice the deputy, acting leader of the NDP is leaving. I trust I am finally getting even, having listened to him for a number of years. He may be going to the chiropractors' dinner because whenever he asks a question he gazes up into the press gallery and he may have a crick in his neck after all these days of doing that.

8:10 p.m.

Mr. Cassidy: I'd say your speech is out of joint.

Mr. T. P. Reid: The chiropractors, of course, did not put that back into joint.

Mr. Cassidy: Why don't you talk about Tory manipulation?

Mr. T. P. Reid: I wish to speak to the principle of the bill. I am sure you will allow me a few hours to do that.

Mr. Gillies: Did you say a couple of hours?

An hon. member: Do I have time to go and have a cigarette.

Mr. T. P. Reid: Yes, I think you have.

Interjections.

Mr. T. P. Reid: Mr. Speaker, I have just performed another kindness for NDP members, other than not allowing them to win the riding of Rainy River. I have allowed one of them to go out and pull himself together so he can make his contribution to Bill 111.

Earlier tonight I was referring to the public accounts, volume 1, for 1981. I have been chairman of the Ontario public accounts committee probably longer than anyone else in the history of the province. It would be fair to say I have been the longest-serving chairman of public accounts in Canada or, as the Premier and Treasurer are fond of saying, in this or any other jurisdiction.

Perhaps due to the number of years I have been here—unfortunately in opposition, and perhaps fortunately as chairman of public accounts—I have had the time to peruse the financial statements in the three volumes of public accounts tabled by the Treasury ministry over the years. I think I referred this afternoon, perhaps not as extensively as I might have, to those matters related to Bill 111 that appear in the public accounts of the province.

It was interesting that one of the Treasury people, who shall be nameless, said as I walked out at six o'clock, "Patrick"—that is the member for Rainy River, Mr. Speaker, in case you are wondering—"you obviously know more about the public accounts than even I do." I took that as a compliment, given that this was the person who had something to do with compiling the public accounts and laying them before the assembly.

Mr. Speaker, I know you wish me to talk about the principle of the bill, which is to give the Treasurer the authority to borrow \$2.25

billion. I know you are a humble, small merchant from Peterborough, who first came to this Legislature in 1971, I believe. By that time I was a long-time veteran who had a great deal of experience in dealing with these matters. I am sure in those days our budget was not even \$2.25 billion. Yet we are asked by this Treasurer and this government to vote for this bill giving that amount to the Treasurer or his predecessors. I submit to members of the House, and I would even make a small wager on it, that he will not be Treasurer by the time this bill runs out in September 1, 1983.

On other occasions I have pointed out that the authority the Treasurer is asking is going to transcend a fiscal year, which would be April 1, 1983, and that, among other things, is completely unacceptable to this party. I cannot talk for my colleagues on the left who are obviously extremely interested in this debate.

Mr. Nixon: So far they have been silent in this debate; have not said a word.

Mr. T. P. Reid: For some reason they do not feel as strongly as I do about this bill, but I am sure that even they, who believe in yet bigger and better governments, will say to themselves, "We cannot and will not give the government authority for this length of time."

As a matter of fact I have roused them to action. They have put something on my desk which is very germane to this debate on Bill 111. Perhaps it relates to the member for Brantford (Mr. Gillies) who sits in seat 51. It comes from his riding and refers to the member. I think it should be read into the record, "Rabid Dog's Owner Blames Porcupine for Odd Behaviour."

Mr. Speaker: And now to the bill.

Mr. T. P. Reid: Mr. Speaker, the bill gives the Treasurer the authority to borrow from: the Canada pension plan; the Ontario Treasury bill program, which I have already referred to, and we would be very interested in knowing how that issue is going to be floated, at what interest rate and on what repayment plan for principal; the Canada Mortgage and Housing Corp. waste control loans which, as members know, are a federal program under which they receive money; and something called the federal-provincial municipal loans program.

We have heard a great deal in this Legislature from the Treasurer and the Premier on occasion, especially during the budget speech, about blame for the federal government. I was surprised quite frankly, when I referred to number

four of the explanatory notes of this bill, that the Treasurer in his budget did not attack the federal government as much as he might. He is wont to blame everything and anything on the federal government. We would like an explanation of what the federal-provincial municipal loan programs really mean.

The experts in the Treasury department might do all of us a favour in this Legislature by coming to our caucus and that of the third party and saying to us, "This is what these bills are about. This is the kind of authority we are after. This is what these bills mean and this is what we are trying to achieve."

In trying to get information on certain budgetary measures, I and our research department—as small, but as competent as it is—have been at a loss to try to fathom on what basis these matters and bills such as Bill 111 are based. We on this side know the Treasurer has no expertise in this field at all, nor does he understand it. But perhaps if he had said to us, "We will send some of my officials over to explain these matters to you and to your colleagues on the left," we could understand it. However, that does not happen.

I have said on other occasions—and I believe it was on the bill that my colleague the member for Kitchener (Mr. Breithaupt) introduced on making information that is available to the government free, open and accessible—power is based on knowledge. If the Treasurer has knowledge that he can tie up and keep to himself, then obviously those who are either in opposition in terms of our democratic society or the ordinary citizens out on the street do not have the knowledge. They are not in a position to be able to make cogent, pointed comments, nor are they able to change the government's mind. The government always takes the view, "You people do not know what you are talking about and therefore we do not have to listen to whatever criticism you may have."

8:20 p.m.

I have asked a number of questions, and I am sure the Treasurer may think this has been going on a little longer than he and his officials would like. The fact remains that we on this side have a duty and a responsibility to hold the government accountable, to ask these questions and to give the public at large an opportunity to react to the budget measures the government is bringing in.

One of the explanatory notes on the bill is sandwiched between the various sources of the

funds, as if it does not mean very much. But it says, "The amount of \$2.25 billion authorized by the bill is intended to cover the following estimated borrowing requirements: (1) Canada pension plan borrowings; (2) teachers' super-annuation fund borrowings." The final note is, "The bill provides that any unused borrowing authority will expire on September 30, 1983."

Mr. Nixon: They used to accumulate those authorities.

Mr. T. P. Reid: The Treasurer's predecessor had a thing about that. He used to stack them up. He got these authorities but no one paid much attention because in those days we were not as knowledgeable about the way government finances worked. Routinely, we approved the interim supply, the interim borrowing and all the rest of it.

Then to our shock and consternation we would find out that we had given away the store and along with it our ability to say to the government, as we are doing on this occasion, "Just a minute: We do not like what you are doing, we do not like your priorities and we have some suggestions to make."

That is not going to wash any more. There will be people on the government side, and some of them are sitting there tonight, who feel that because they were elected with a majority we in the opposition should just roll over and play dead; that because they were elected with a majority they have a divine right to rule.

Mr. Gillies: Oh, nonsense.

Mr. T. P. Reid: Oh? Has the member heard the pronouncements of the acting House leader? He makes Genghis Khan look like a very liberal civil rights operator.

There are other occasions when that has happened. However, I can tell the government those days have come to an end. We have been through this time and again, and perhaps we could do it again if those on the other side would like us to. We are not going to pass a bill like Bill 111 without putting up a fight and focusing as much attention as we can on it.

We are going to say to the people of Ontario, "You have a right to come before those people who are directing your lives by this budget; who are putting an unfair tax burden on you; who are providing an incidence of tax—as the economists would have it—on those who are least able to pay it. We want to give you an opportunity to come before a committee of the Legislature which will have the ability to hear witnesses

from the public so that you may have an opportunity to make your points known."

That is what most people in our society want. We all know we cannot necessarily have our way, except this group opposite. Most people just want to be able to say, "Mr. Treasurer or Mr. Premier, if you expand this base of tax, whether it be on senior citizens' meals, on cafeteria meals or whatever, this is what the impact of that tax is going to be on us." That is what we are trying to do.

We are trying to give a voice to that silent majority who are fed up with the kind of cavalier and arrogant approach of this government to them. They are the ones who are carrying the can and are going to have to pay taxes to pay for Suncor, to pay for the government's public opinion polls, to pay for its advertising, to pay for the Premier's jet and all the rest of it, including the salaries of the parliamentary assistants who have been gagged by the Premier.

Four or five years ago, when he was in the midst of minority government, the Premier made great public pronouncements about how all public matters should be public and how he was going to pass an act thereto.

Mr. Speaker, I notice you giving me a small, subtle hint to get back to the bill. I intend to do this, but I would like to bring to your attention first of all, if I might, that members of the Tory party sent me a copy of the telephone book. It even goes so far as to say, "Government caucus office, Parliament buildings, Toronto." I am sure that is where the Liberal phone book went: it was stolen by members opposite and stamped, because we cannot afford a stamp in our poor situation.

I think what they are trying to tell me is that perhaps I should start reading the phone book because they are getting so much enjoyment and entertainment out of my speech. I am prepared to do that. Would they like me to start with page 1, Metro's new emergency number? Or I can switch over directly to the As which do not start until page 66. However, because I do not wish to try your patience, Mr. Speaker, I will refer back to the principle of the bill.

I have sat in this House with my friend the member for Mississauga Wealthy, wherever it is, for 15 years. He has not learned a lot in that time but we will not go into that. He and some of his colleagues have never realized or appreciated that we in the opposition have a role to play in this Legislature. Our role is to oppose some of the government measures, on occasion to offer

constructive criticism and on occasion to offer alternatives. That is our role.

There is only one slight difference between a dictatorship and a democracy, and that is a free opposition. It is not a government majority that makes a democracy; it is an opposition that has the unfettered right to say what it wants to say, when it wants to say it and as long as it wants to say it. That is what we are about here. The mark of a majority government is not how they govern but how they treat the minority and the opposition groups in their society. That is really what makes them a government or not.

In that respect this government comes up sadly lacking, and the member for Mississauga North (Mr. Jones), among others, should be very concerned about the way this Legislature has been treated by the Premier and the Treasurer, although I gather, among other things, he was not really for Suncor.

8:30 p.m.

The members will recall when the leader of this party said to him, "What do you think of the Suncor deal now?" The Treasurer's response was, "I think the same now as I thought three or four months ago," which obviously meant he did not think much of it then. I am sorry for the aside. I will get back to the bill.

Mr. Gillies: Don't be sorry.

Mr. T. P. Reid: The member from Mazda is interjecting. There was the day we had that great debate about the auto industry in Ontario. The member for Brantford (Mr. Gillies) got up and made a great, impassioned speech about how we ought to support the Ontario auto industry. When I walked out, there was the member for Brantford driving out. I am sure it was a Mazda, although I may be wrong; but an Oldsmobile, a Ford or a Chrysler it was not.

I drive an Oldsmobile and it is five years old because I am not a parliamentary assistant and I cannot afford a three-year-old car. That is neither here nor there. I am sure, Mr. Speaker, you are not concerned about these asides.

I have a feeling there are certain people, particularly in the Treasury, who have decided this debate might go on longer than they had expected because I see certain happy, smiling faces are no longer with us under the press gallery.

Mr. Nixon: They don't work nights.

Mr. T. P. Reid: We will not go into that.

Hon. Miss Stephenson: Patrick does not work nights either.

Mr. T. P. Reid: I used to.

Mr. Gillies: Tell us about the yellow pages.

Mr. T. P. Reid: Send them over.

Mr. Gillies: No, we are over here.

Mr. T. P. Reid: There are not many of you over there.

We have primarily three concerns about Bill 111. I give them not necessarily in order of importance, but I think they will come out that way.

First, we object to a number of the initiatives in the budget of the Treasurer of Ontario. We do not like the expansion of the provincial sales tax. We do not like a number of the other budgetary items the Treasurer has introduced. We find there are a lot of omissions in the budget. Those who need help the most are not being served by this budget.

Second, we have objected for a long time about the fact that this Treasurer and his predecessors have been financing the deficits of Ontario by raiding the pension plan of the schoolteachers' association, the Canada pension plan and others. My leader and I have pointed out that those funds have been raided. They have been used at less than the market rate of interest to pay for the budgetary deficits and the wastefulness of this government in terms of—

Oh, there it goes. One cannot trust a Tory even across the floor. They give one something and they take it back. They will not even come and take it back themselves.

Mr. J. M. Johnson: Mr. Speaker, on a point of order: I was afraid he was going to start reading from that directory.

Mr. T. P. Reid: Was that parliamentary?

Mr. Speaker: Not really; back to Bill 111, please.

Mr. T. P. Reid: As I say, we are concerned that we have been taking advantage of these pension plans. We have heard, and I am sure my colleagues will be talking at great length—as a matter of fact, I can almost assure the Treasurer they will—about how this Conservative government has been raiding the pension plans of the Ontario Secondary School Teachers' Federation, the schoolteachers of Ontario, paying less than the market rate, to finance their deficits and their mismanagement over the years.

If one were to ask, as my colleague just did,

which matters have been mismanaged or caused wasteful expenditures, we could go into the land assembly schemes that have cost the taxpayers of Ontario \$650 million or better, if one factors into the opportunity costs of paying interest on the money that was borrowed. We can go into the matter of the Premier's jet; we can go into Suncor; we can go into advertising; we can go into public opinion polls, which are part of the secrecy of this government.

One of the things, quite frankly, that has always bothered me, which we are going to be paying for under this bill, is something I have not seen, and has upset me almost as much as anything I can think of, in my 15 years in this House. Again, it took place during the deliberations of the public accounts committee of Ontario.

The auditor of the province, who is an officer of this assembly, an objective person, brought to the attention of the public accounts committee that there was a problem with the Ontario hospital plan as it related to a clinic at St. Marys. It found that the payments going to that particular body were not being regulated, were not being monitored, and that there was a problem the public accounts committee should look into.

Those were the grand old days to some extent of minority government where everybody was fairly objective and reasonable. That was a mistake, quite frankly, on the part of the opposition. We were too reasonable, too objective. We were interested in good government.

Hon. Miss Stephenson: When?

Mr. T. P. Reid: As a matter of fact, I say to the Minister of Education, the present Speaker was a member of that committee. I want to tell her, because she is listening more closely than most members, what happened in that committee. We brought before that committee officials of the Ministry of Health. We wanted an explanation of what was going on in the hospital services organization at St. Marys Clinic. As a committee we were stonewalled. We did not get any co-operation.

Mr. R. F. Johnston: Or filibustered.

Mr. T. P. Reid: We were filibustered. That is a good word. We did not get any co-operation from Dr. Suttie, who was then the Assistant Deputy Minister of Health and I believe still is, and a Mr. Berry, who had direct responsibility for the operation of the HSOs in Ontario. My colleague the member for Perth (Mr. Edighoffer)

knows all about this matter as does the Speaker of the House and others over there as well.

Those people were completely unco-operative with the committee. They provided no information, they stonewalled not only the committee but the Provincial Auditor of Ontario. The then Minister of Health, the member for Don Mills (Mr. Timbrell), instead of chastising those people, instead of dealing with them, did nothing but defend them.

It is interesting, Mr. Speaker, that you were a member of the committee. I do not wish to drag you into it, but you may recall that the criticism and the naming of those two particular members in our committee report was signed by all members of that committee of which you were a member, as, I believe, was the parliamentary assistant to the Minister of Health. Yet the Minister of Health of the day did nothing to deal with those people.

8:40 p.m.

I want to say to you, Mr. Speaker, and through you to the Treasurer and to other members and other ministers over there, to my mind this, more than anything else, undermined the credibility of the administrative capability of this government. They had a responsibility to deal with those people who had stonewalled and refused to co-operate with a committee of elected members of this Legislature.

I go back to my whole theory and principle of accountability and responsibility. The then Minister of Health, now the Minister of Agriculture and Food (Mr. Timbrell), let us down badly. He let this Legislature and the democratic system down badly, because those people were responsible; they were accountable.

I can come to only one conclusion, that the then Minister of Health, now Minister of Agriculture and Food, was prepared to countenance their incompetence or, in fact, to counsel them to ignore or stonewall the committee. That is the only conclusion one can come to.

Hon. Miss Stephenson: What does this have to do with the bill?

Mr. T. P. Reid: It has to do with the accountability and responsibility of the administration of this government. As a minister of the government and as a member of the executive, the Treasurer is asking us on this side to give him the authority to raise \$2.25 billion, which he can not only raise but also spend without the authority of this chamber after we pass this bill. And if he thinks we are going to do that, given

his record in government and given his irresponsibility; no, we are not going to do that.

Hon. Miss Stephenson: Only those who would behave that way have such feelings.

Mr. Speaker: Order. Ignore the interjections, please.

Mr. T. P. Reid: I cannot hear the muttering of Minister of Education.

The fact is, Mr. Speaker, we are being asked as a Legislature and as a democratic opposition to give authority to these people who did not have the courage or the proper appreciation of the democratic system. The appreciation of accountability and responsibility is the absolute cornerstone of the system of democratic society.

Those same people did not tell us about Suncor, have never given us an explanation, have never come before this House with a bill to say, "We want to buy 25 per cent of an oil company" or whatever, one of the largest single expenditures I have seen in 15 years in the House. We have not seen them have the understanding of the democratic process, the understanding of accountability to this Legislature or the responsibility to say, "We have to bring these things before the duly democratically elected House of Ontario to get approval for them."

If they think they are going to get any kind of authority on this bill or any other to deal with public funds after that example, then I am afraid they are sorely mistaken; because we are not going to sit back and allow democratic principles, especially those of the rights of the opposition and the people that we stand for, to be trampled by the Premier, by the Treasurer and by the lackeys in the cabinet who think they were elected to govern and that nobody should ask them anything.

Mr. Kennedy: Good speech. When are you going to say something?

Mr. T. P. Reid: Mr. Speaker, when I was a young member, a lot like some of those who are yammering in the back and some of those who should know better, there was a member named John Brown. I do not remember his riding. It might have been Beaches-Woodbine. I sat in my place as a 24-year-old newly elected member, even then of course with the mark of whatever on me—

Mr. Nixon: Mark of Cain.

Mr. T. P. Reid: Cain; I think Abel, whatever. I think it was the mark of Abel, being an able member. I remember sitting and hearing that

member stand in his place. He was an avowed Marxist. He said in this chamber, when he started his speech, and I honestly was never so surprised—other than when I saw this budget—in my political life as I was then when the member for Beaches-Woodbine at that time, Mr. Brown, stood in his place and said: "I am a Marxist."

Mr. Samis: Who?

Mr. Philip: You are a what?

Mr. Gillies: A Groucho Marxist.

Mr. T. P. Reid: He said, "I am a Marxist." I was surprised that he would say that in a democratic system. I suppose I should not have been but I come from a relatively stable, reasonable, rational area that always does the right thing, as they have demonstrated over the years. He stood in his place and said, "I am a Marxist." His second phrase was, "This place is civil war."

I said to myself, "That is not what I came here for." First of all, I am obviously not a Marxist, unlike some of my friends to the left. I thought this was a reasonable place where reasonable people put reasonable points of view. It was dealt with on that basis.

Mr. Nixon: The government paid him hundreds of millions of dollars and he walked away with it.

Mr. T. P. Reid: Right. He was what one calls "an upwardly mobile Marxist."

Mr. Speaker: Now back to the bill.

Mr. T. P. Reid: He knew who he was dealing with. I wish I had. I am sorry but there is a point to this. He said, "This is civil war." I had never taken that viewpoint until March 19, 1981. It has taken me a long time, even since then, until I had heard the Premier followed by all the Charlie McCarthys over there standing in their places and saying, "The realities of March 19 are."

That is why we are here tonight and why we may be here a lot of other nights. We have found that power corrupts and absolute power, a majority of power, corrupts absolutely. We are not going to give the Treasurer, without a fight to the last standstill, that power under Bill 111 to raise \$2.25 billion by way of loans whether he is stealing it from the pension plans or whether he is getting it from the Canada pension or Canada Mortgage and Housing Corp.

So much of this turns out to be federal that one wonders why we are here talking about these things. The arrogance of this particular government has put us in a position where we

have to use the only weapons we have at our disposal. If the Treasurer and those surrounding him and those on the back benches think that we are not serious about this, we are going to use the means at our disposal to make our point.

In case members have missed it, our point is simply this: This budget is ill-conceived and contradictory. It does nothing to help those who need the help the most in our society. The taxes imposed are regressive and it hurts those in a position of being least able to help themselves. We want those people and their representatives to have the opportunity to come before a committee of this Legislature to make their views known.

8:50 p.m.

We want them to be able to express their opinions as freely as possible. We want the Treasurer, those people and his very secretive—Will the parliamentary assistant come out of the closet? That phrase has nothing to do with his sexual proclivities, but why do we not bring the parliamentary assistant to the Treasurer out of the closet. The Premier will not allow him to answer questions about this or any other bill.

The members will recall last week when "Osaka Frank" was away in Japan—

Oh, it is back.

Mr. Robinson: Are you going to read the phone book now? There's a great cast of characters but no plot.

Mr. T. P. Reid: I am willing.

Interjections.

Mr. Speaker: Order.

Mr. T. P. Reid: The government caucus or the government back-benchers have sent me the phone book which again is stamped and it says under here—

Interjections.

Mr. T. P. Reid: Obviously, this is the Premier's copy because it is marked in here who is doing well and who is not. Under the member for Scarborough-Ellesmere (Mr. Robinson) it says, "zero." Under the member for Brantford (Mr. Gillies) it says, "minus two," because he is driving a foreign car.

Mr. Speaker: Order. Back to Bill 111, please.

Mr. T. P. Reid: Mr. Speaker, as the Premier would say, I am only responding to the interjections.

Mr. Speaker: Then please do not.

Mr. T. P. Reid: The member for Brantford, otherwise known as the member from Mazda,

should be very quiet when it comes to these kinds of interjections.

[Applause]

Mr. Robinson: Now you drove the Speaker out.

Mr. R. F. Johnston: Now, by popular demand.

Mr. Kennedy: Super Sam.

The Deputy Speaker: I notice I got that reception from all sides of the House.

Mr. Van Horne: On a point of order, Mr. Speaker: The notice you just referred to was nothing you should acclaim; rather, it is the recognition of the House that the member for Rainy River has just reached the point of concluding the warmup to his preamble and now he will enter his preamble.

The Deputy Speaker: The member for Rainy River.

Mr. T. P. Reid: Mr. Speaker, I have never heard you call upon a member to rise in his place with as much enthusiasm as you have just indicated. I appreciate it immensely.

Mr. Bradley: Do you want me to go get some letters I got from my constituents?

Mr. T. P. Reid: No, I do not think I need any more letters. Now that I have given the introduction to my comments on Bill 111, I have a number of comments I would like to discuss a little more fully. I would like to refer the members back and remind them of the 1981 Ontario budget.

If they would put something in the water I might quit sooner.

In Bill 111, the Treasurer is asking for authority to raise about the same amount of money as his deficit is going to be. We have a problem with that, as I indicated earlier, because that amount of money is obviously his deficit. We do not wish to give him and the government the kind of authority for that.

I would like members to cast their minds back to the budget of May 19, 1981. Personal income tax revenues were up 22.4 per cent from the two per cent by which the Treasurer increased taxes at that time. The gas tax revenue was up 21.7 per cent, the tobacco tax revenue 21 per cent, and Ontario health insurance plan premiums 15 per cent.

I have a feeling that there are a number of members, particularly on the opposite side, who think I suffer from TB, which in northern Ontario jargon means "tiny bladder." I can assure members that is not so. I can proceed to drink all of these without any problems at all.

To come back to Bill 111, Mr. Speaker, from which you did not allow me to stray, although some of the members opposite did: We were asked in two consecutive budgets to provide authority to the Treasurer, under Bill 111, to raise these sums of money. I repeat: I want to know from the Treasurer why he needs so long a period of time. I am sure the members know that we deal with interim supply on a maximum period of six months. It used to be for three months; but members remember that.

Mr. R. F. Johnston: Yes, I remember that.

Mr. T. P. Reid: Even on that side they remember. Now, under this bill we are asked to give authority for these borrowings until September 1, 1983. What that does is largely to make all the debate, all the estimates procedures lasting 420 hours, some kind of pro-forma ritual that we go through, in which we duly do estimates in the House or in committee, and talk about our constituents' problems and all the rest of it, but the Treasurer and the cabinet already know they have the authority and there is nothing we can do about it.

To those people who are interested enough to be here tonight, I reiterate: If they learn something in the time they are here it is that there is a role for everybody in this Legislature. They may laugh and snicker, but they might consider that some time they may well be on this side, because most of them in the back rows are relatively young in time served in this Legislature.

The member for Sarnia (Mr. Brandt) is old in years and experience and will not be around here very long, but the member from Mazda no doubt thinks he will be here forever. He may well wind up on this side of the House. Then he will have a better appreciation of the democratic system and the way it should operate.

Mr. Speaker, you are obviously saying to yourself—

Mr. Robinson: What does this have to do with the bill?

The Deputy Speaker: As a matter of fact—

Mr. T. P. Reid: Mr. Speaker, I would make you a small wager that those three crows on the back row—the kind that have been pecking out the eyes of the cattle in northern Ontario—have not even looked at Bill 111, nor do they know what is in it or what the provisions are.

Mr. R. F. Johnston: "Nevermore."

Mr. Gillies: I read it before you started this speech, but now I have forgotten what it said.

Mr. T. P. Reid: That is a typical Tory

back-bencher. They have to be retrained after every coffee break. That is why the clapping over there is so sporadic sometimes when the Premier gets up; they forget he is the guy they have to look to.

9 p.m.

Interjections.

Mr. T. P. Reid: Mr. Speaker, I want to refer you to the principle of Bill 111.

[Applause]

Mr. T. P. Reid: To think I left Rainy River for this.

Mr. Robinson: We thought the same thing.

Mr. Gillies: Whatever happened to your Tory cousin in Brantford?

Mr. T. P. Reid: I do not have a Tory cousin in Brantford. I have a lot of Tory cousins, but not in Brantford. As a matter of fact, as I understand it, with the Tory member that Brantford has, hardly anybody is working any more. But that is another story.

Mr. Bradley: But the tours to Belgium are doing very well.

Mr. T. P. Reid: Yes. But I have to be fair, because the member for Brantford told me that was paid for with his own money. Probably the money he saved in buying an imported car he used to pay for his trip to Belgium.

The Deputy Speaker: Back to Bill 111.

Mr. Cooke: What kind of car does the Leader of the Opposition (Mr. Peterson) drive?

Mr. T. P. Reid: The same kind the member for Ottawa Centre (Mr. Cassidy) used to drive.

Mr. Di Santo: On a point of order, Mr. Speaker: I think the member for Rainy River is making a fine speech, but it was a rather low blow to refer to the member for Ottawa Centre. He should consider that the member for Kitchener-Wilmot (Mr. Sweeney) is driving a BMW—

Mr. Bradley: That's his second car. He also has a North American car.

Mr. Di Santo: It is not an American car. It is a German car and—

Mr. Bradley: It's an old car from way back.

Mr. Di Santo: May I proceed with my point of view? If it was true in 1974 that the member for Ottawa Centre was driving a very cheap car, now it is true that he is driving a Canadian-built car, while the member for Kitchener-Wilmot is driving a German car. Unfortunately, this government was—

The Deputy Speaker: Order. I am having difficulty. In all sincerity, I have allowed you to continue for some time now.

Mr. Van Horne: On a point of order, Mr. Speaker: While this point of order is being made, it is only fair to point out that the member for St. George (Ms. Fish) regrets she cannot be here to speak about her Volkswagen.

Mr. Robinson: Where is the member for Yorkview (Mr. Spensieri) and his Volvo?

The Deputy Speaker: The member for Rainy River on Bill 111, right from the top.

Interjections.

Mr. Gillies: On a point of order, Mr. Speaker: I think it is well to point out to this assembly that my car may have been built in Japan but it was bought in Brantford.

Mr. T. P. Reid: I thought he had imported it from Belgium, but that is all right.

I have a problem with Bill 111—

Hon. Miss Stephenson: You certainly do have a problem. There is no doubt about that. Perhaps we should try to deal with your problem.

Mr. Robinson: Could you give the member for Rainy River some more water?

Mr. T. P. Reid: Not as good as the chiropractors, but—

Mr. Robinson: We know.

Mr. Bradley: Mr. Speaker, I think you should leave the chair and let the member for York Mills (Miss Stephenson) have it. She is making the rulings from over there anyway.

Mr. T. P. Reid: Mr. Speaker, I would really appreciate it if you could have some semblance of order, because I know Hansard has a great deal of difficulty getting all these words down. If you could keep those people over there somewhat quiet, I would like to proceed.

In regard to Bill 111 and the authority the Treasurer is asking for, I would like to draw members' attention to some of the remarks that this Treasurer, not his predecessors, has made in budgets past and why we are reluctant to give this kind of borrowing authority to him and to this government.

In 1980, the Treasurer said in his budget speech—

Mr. Nixon: How about 1981?

Mr. T. P. Reid: We will get to that eventually.

The Treasurer said: "I have developed a budget plan consistent with these challenges. It is designed to achieve these three objectives"—I

want you to listen, Mr. Speaker, because you displayed today that you are a man of high intelligence and high integrity—"first, to maintain a favourable climate for job growth and economic expansion in Ontario." That was two years ago.

"Second, to ensure a high standard of social services for the people of Ontario"—these are the people who have not been helped by pension changes recommended by the select committee on pensions to help widows and separated women over 65 and who are suffering, those whom the royal commission and the select committee of the Legislature have identified—"and in particular to help our elderly citizens cope with inflation."

Two years later the Treasurer has helped them cope with inflation by broadening the sales tax on every conceivable item they might need, such as toilet paper, deodorants, toothpaste and everything else, including meals in their residences and the few times they go out to enjoy a meal under \$6. That is how the Treasurer has coped with inflation.

Interjection.

The Deputy Speaker: Order. I say to the member for Downsview (Mr. Di Santo), it is most distracting, what you are waving around. The member for Rainy River has the floor.

Mr. Di Santo: On a point of personal privilege, Mr. Speaker: I was not distracting the members opposite. I was pointing out that most of them are not in this picture of BILD, which is where the strategy comes from. The Minister of Health (Mr. Grossman) is in the front row with the Treasurer. I do not know if that has anything to do with the leadership race which is going on.

The Deputy Speaker: Order.

Mr. T. P. Reid: Mr. Speaker, the member for Downsview has a point. The Treasurer's ribs have not yet recovered from being given the elbow by the Minister of Health, who was trying to get him out of the way so he could be front and centre in the BILD picture.

Before I was interrupted, I was talking about the Treasurer's budget speech of 1980 and was just about to get to the most ironic point of the whole exercise. In 1980, the Treasurer wound up with this phrase, "Third, to combat inflation by controlling government spending and minimizing deficit levels."

He is asking us to give him authority in Bill 111 to burden Ontario with the largest deficit in the history of the province. These were the people, the Treasurer and the Premier, who said

in 1981—I have the Premier's very words here—"Give me a mandate to keep down government spending and to keep the deficit of the province of Ontario under control."

9:10 p.m.

I admit it, Mr. Speaker: we are in opposition today because we were naïve. We believed the Treasurer and the Premier of Ontario. We believed, and the people of Ontario believed, that they were going to keep down taxes and the deficit. How can we be expected to vote in favour of Bill 111 to give the Treasurer and the Premier the authority to raise \$2.25 billion when their own words crucify them?

Mr. Bradley: You have driven the Minister of Education out of the House.

Mr. T. P. Reid: Mr. Speaker, I have achieved a plateau I never thought I would achieve in my entire political career: I have driven from the House—

Some hon. members: No.

Mr. T. P. Reid: No, I have not. Well, I am not finished yet. You see, she is taking the Star because nobody can afford toilet paper with the seven per cent tax the Treasurer has imposed; and since Eaton's went out of the catalogue business, we are all in trouble. My friends from Lindsay and Renfrew tell me that half the cottages have had to shut down because they cannot afford it.

It occurred to me at one point—and I was not going to say this, but I think it is fair to do so because I want to get the Treasurer's attention—that the reason he really put the seven per cent tax on toilet paper was that he had a constipation of ideas as to how to raise money in Ontario.

I want to refer back a little farther. In the budget of 1978, the then Treasurer said that tax was removed on storm windows and doors. These were his words:

"The Ontario economy is steadily adapting itself towards energy conservation. To assist in this process I propose to remove the retail sales tax from storm windows and storm doors, effective March 8, 1978. This measure will cost \$15 million in 1978-79 and bring the government's total package of energy conservation exemptions to \$25 million per annum."

Of course, since we have bought an oil company and we really want to promote the use of oil through Suncor we have to pull back on some of these things. It is interesting that we have to pay for Suncor, an oil company, by

taking the taxes off energy conservation means and matters.

Now really, even the members opposite have got to understand the contradiction in that. We buy an oil company. We are talking about oil conservation. The Ministry of Energy is unconscionably spending about \$7 million a year in advertising on oil and gas conservation and, I will say to my friend from Mazda, duplicating the federal program almost exactly—and he can check it out in public accounts—duplicating almost word for word what is going on in the federal government's energy conservation program. Then we have to take the incentives off saving energy to pay for an oil company, a depleting resource that is not in Ontario but in Alberta.

Mr. Bradley: What about the jet? Mickey Hennessy voted for my resolution to sell the jet, and who knows northern Ontario better than Mickey Hennessy? Let's hear it for Mickey Hennessy.

Mr. Piché: Are you talking against northern Ontario?

The Deputy Speaker: The member for Rainy River.

Mr. Piché: Talk against the jet and you are talking against northern Ontario. If I were living in St. Catharines, I would talk like that too; but what about northern Ontario?

Mr. T. P. Reid: I cannot hear myself, Mr. Speaker.

Mr. Bradley: Mickey Hennessy voted for northern Ontario.

Mr. Piché: That is the opposition. If it is good for northern Ontario, they are against it every time.

The Deputy Speaker: Order, gentlemen; the member for St. Catharines (Mr. Bradley) and the member for Cochrane North (Mr. Piché).

Hon. Mr. Pope: The members opposite should come on down to estimates. They haven't got the guts to come to estimates.

Mr. Bradley: Talk to Mickey Hennessy.

Mr. Eakins: Mickey Hennessy is the voice of the north.

The Deputy Speaker: Member for Rainy River, are you about to proceed?

Mr. T. P. Reid: Yes.

The Deputy Speaker: Order. The member for Rainy River is about to proceed.

Mr. Piché: He is repeating himself.

Mr. T. P. Reid: Mr. Speaker, unfortunately my friend was not here, because I have not repeated myself yet. If he would like me to, I am prepared to do so, because he obviously missed the points the first time around.

In 1979, this Treasurer, in his budget, related to this bill, said, "We have made considerable progress in controlling the growth of health care spending. We have done so without reducing the quality of services provided. However, costs continue to escalate. Therefore, I propose to increase premiums by \$1 per month for single people and \$2 per month for families, effective for the benefit month of October. This modest increase of 5.3 per cent will be less than the growth in the cost of insured services, which are projected to increase by 5.5 per cent."

In 1981, in the budget speech given by this Treasurer, he said: "The resulting new monthly premium levels become \$23 and \$46 for single persons and families respectively. This measure, which increases premium revenue by \$120 million this year, represents an increase in premium rates of 15 per cent since 1979, which is below the increase in the cost of health care services over the same period."

Mr. Robinson: Are you reading? Bob Nixon doesn't like written speeches.

Mr. Piché: I have never seen Bob Nixon read since I have been here.

Mr. Robinson: Nixon is against reading.

Mr. Piché: Bob, save your party. Get up and take over. You make sense.

Mr. Roy: You should go with Alan and practise driving the jet.

The Deputy Speaker: I say to the member for Rainy River, never mind the interjections.

Mr. T. P. Reid: One thing is that the present Minister of Natural Resources (Mr. Pope) has nothing to fear from the other northern members in the Tory caucus, because they have done the impossible: they have made him look good.

Before I was so rudely interrupted, I was going to quote from the budget speech of 1982. "This cannot be done without adequate funding. Last year, our health expenditures increased by about 18 per cent and the system continues to experience cost pressures"—possibly the large increase the Minister of Health gave them.

"In order to maintain the funding of a reasonable share of costs from the Ontario health insurance plan premiums, rates must be adjusted. "Effective for the benefit month of October 1982, monthly OHIP premiums will be increased by \$4 and \$8 for single persons and families

respectively. Additional revenues from this rate increase will be in the order of \$170 million this fiscal year."

We have it all. Would members be interested in hearing about all the pronouncements of the present Treasurer and even his predecessors about how they were going to balance the budget?

Mr. Kerrio: Naturally.

Mr. Eakins: Please.

Mr. Havrot: We are breathlessly awaiting your next words of wisdom.

Mr. T. P. Reid: I have a groundswell of support over here.

The Deputy Speaker: Tying it in with Bill 111.

Mr. T. P. Reid: I have not had all my water yet. I should have gone to the chiropractors' dinner tonight. That is the mistake I made.

Mr. Kerrio: Don't drink too much water, Pat.

9:20 p.m.

Mr. T. P. Reid: Earlier on in the day, I was referring to the financial statements of Ontario relating to the various loans and the money that was going to be floated. I had an opportunity over the dinner hour to refer—

Mr. Gillies: I know where you were over the dinner hour and it was not reading a book.

Mr. Robinson: What is his point?

Interjections.

Mr. T. P. Reid: Mr. Speaker, those young, inexperienced members have a lot to learn from those of us who have been around for a while and can do two things at once. When they get to be like the Premier and the Treasurer, when they can suck and blow at the same time, they will be able to make a contribution in this House.

However, as I was looking over the public accounts, it occurred to me that I had left out something in my dissertation earlier this afternoon. I can see that the Minister of Natural Resources and the Provincial Secretary for Social Development (Mrs. Birch) are keenly interested in this matter, because they are obviously interested in learning, unlike some of their counterparts who will remain for evermore on the back benches of that party.

I refer the members, in regard to Bill 111, to page 3-9 of the public accounts, 1980-81, called "Miscellaneous Statements" and, directly related to the bill, "Superannuation Adjustment Fund—Continued." That is where they get you. You think you have got a handle on what is going on

with the finances of Ontario, and you flip a page or two and find "continued."

On this page, the members will be happy to know that the "Statement of Superannuation Adjustment Fund Account for the Teachers' Superannuation Plan for the Year Ended March 31, 1981" states the following—this is where they are asking us to provide the funds for this—in schedule B: "Balance in fund account, on deposit with the Treasurer of Ontario, beginning of year"—do the members know the meaning of "on deposit with the Treasurer of Ontario"?

Mr. Nixon: No. What?

Mr. T. P. Reid: I am glad the member asked. What that means simply is this is another little bowl in which the Treasurer can dip his fingers under authority of Bill 111 and borrow the money out of those funds at less than market rates to finance his wasteful expenditures and the mismanagement of this province.

I am sure the members are interested to know that in 1980 there was \$170,491,796 in that fund. Do they know why we are trying to pass this bill?

Mr. Nixon: Why?

Mr. T. P. Reid: He is a better audience than those people.

Because that fund in 1981, over 1980, increased by something like \$74 million so that it was \$234,285,557. It does not say any cents. What really bothers me, and I think it bears repeating, is that Ontario's contribution in 1981 was \$27,640,353. I wonder if I could—

Interjection.

Mr. T. P. Reid: Mr. Speaker, I always find the Minister of Education enlightening. I wonder if she would really listen to this point, because she was not here this afternoon when I raised it, and I raised it very seriously.

Hon. Miss Stephenson: No. I was in estimates.

Mr. Kerrio: Go over it again, Pat—for the fourth time.

Hon. Miss Stephenson: He has gone over it seven times already.

Mr. T. P. Reid: I pride myself in saying that I have hardly repeated anything more than once.

But there is a problem in dealing with one of the pension plans the Treasurer is asking us to approve his borrowings from. We have the Minister of Education with us tonight. If she looks at page 3-9 of the public accounts, amongst other things she will see a contribution there from the province to these pension plans.

As I explained a little earlier, the various local

and regional school boards are able to come to a contractual agreement with their local union or local organization—the teachers' association, whether it be elementary or high school. As I understand it, the province is required by law to put in an exactly equal contribution to the pension plan as that negotiated between the school board and the teachers' association, whatever it be.

Hon. Miss Stephenson: No, it is not. It is not negotiated between the school board and the province.

Mr. T. P. Reid: Who is negotiating it?

Hon. Miss Stephenson: It is an automatic increase relating to the salary increase they get. They negotiate the salary and we just pay it.

Mr. T. P. Reid: That is right. I am sorry; it is sort of one of those differences without a point.

Mr. Breithaupt: You take it off the top.

Hon. Miss Stephenson: No, we don't. The province pays it; not the boards.

Mr. T. P. Reid: That is right, but that is my point. We are asked to okay this bill, which contains buried deeply within it, among other things, the fact that the school boards negotiate a salary increase with the school teachers. They get an increase of, let us say, 10 per cent—

Mr. Nixon: That was a bad year.

Mr. T. P. Reid: I am trying to make it simple for some of the people on that side.

Their pensions automatically increase by a like amount; the province automatically provides the 10 per cent increase, or whatever, in their pensions. That is what the Minister of Education said, and that is what we are bound by. In fact, we have a contractual obligation that is negotiated by a local regional school board and the local unit of the Ontario Teachers' Federation or the Ontario Secondary School Teachers' Federation. Then we as a province say: "We are going to pick up the same cost as the teachers are now contributing to their pension plan." Is that right?

Hon. Miss Stephenson: It is not.

Mr. T. P. Reid: Well, actually we are.

Hon. Miss Stephenson: We are actually providing more than they do. It is not a contractual relationship; it is a legislative relationship.

Mr. T. P. Reid: I realize it is legislative, and that bothers me. The minister probably can help me with this, but I cannot think of any other union-management negotiation or contractual obligation where somebody else does the bar-

gaining and then a third party—in effect the taxpayers of Ontario or the government, which is all of us—without any say in the process, has to pick up the pensions of those people.

Hon. Miss Stephenson: You should speak to the OTF about that, because they have been suggesting—

Mr. T. P. Reid: All right, but that is what we are talking about in this bill. I have raised that question, and I will give the Minister of Education full marks because she is the first of those I have approached on this matter to actually say, "Yes, that is the way it is."

9:30 p.m.

It is very strange that we should have a legislative requirement for two other parties to negotiate a contract and that we pick up the pension benefits. I am certainly not teacher-bashing—do not get me wrong, I am not—but I find it passing strange that we should find ourselves in this position. However, after 40 years of Tory government nothing should surprise me any more.

We are asked in this bill to allow the Treasurer to borrow from the pension funds and, at the same time, we are a sort of disinterested third party who is going to pay the bills. We are not the third party: the taxpayers are going to pay it; and not only the original salary: we are going to wind up picking up the tab for the increase in pensions without any say in the matter.

Hon. Miss Stephenson: Go and speak to the Ontario Teachers' Federation about it.

Mr. T. P. Reid: Do not tell us to go speak to the OTF about it. That legislation was passed under a Tory government. She is not going to tell me it goes back to Mitch Hepburn. The minister has blamed everything else on him and maybe she can blame that on him, but can she tell me that in 40 years she has not dealt with that matter? It is costing and will continue to cost the taxpayers of Ontario an unheard amount of money, and they have no say in the matter whatsoever.

I find it incredible for the Treasurer to come before this House asking for authority to borrow from these pension plans and not to deal with that aspect. I recall asking about this in public accounts. I recall asking—

Mr. Breithaupt: Tom Wells.

Mr. T. P. Reid: Yes, he was Minister of Education then. I asked the present Minister of Intergovernmental Affairs about that and he

just dismissed it, but I will give the present Minister of Education full marks.

What are we about here in this bill? We are asked to give the government authority to borrow from the pension plan to which these teachers are contributing. At the same time, I dare say 99.9 per cent of the public are not aware they are paying the part of the pension plan which is a legislative requirement. I cannot recall it ever having been discussed or debated in this chamber.

The former Treasurer, Mr. McKeough, and the present House leader and Minister of Intergovernmental Affairs just brushed it off when I asked questions about it. These are serious questions that have to be addressed in this bill among other places.

Mr. Van Horne: On a point of order, Mr. Speaker: While my colleague the member for Rainy River has a moment to gather breath and regroup, the only time that I can recall this being debated in the last five years was the time that the Ministry of Education came in with back-to-back supplementary estimates for something in the neighbourhood of \$107 million and—

The Acting Speaker (Mr. Cousens): That does not qualify as a point of order. The member for Rainy River has the floor. That does not qualify, by any description.

Mr. Van Horne: The point is, if I may conclude Mr. Speaker, that—

Interjection.

The Acting Speaker: No. I do not accept this point of order you are trying to make. The member for Rainy River has the floor.

Mr. T. P. Reid: Mr. Speaker, I made the point. After all the years I have been here and have tried to press that point, I am very happy to hear the Minister of Education acknowledge it. I wonder if even the Treasurer is aware that what he is asking us to do is to borrow money from funds that are found in this peculiar and particular way. I wonder why the minister—

Hon. Miss Stephenson: He is very much aware of it.

Mr. T. P. Reid: The member is very proud and fond of saying, "We are here to govern, and you are going to do what we tell you because we have a majority."

Interjections.

The Acting Speaker: Order. There is too much dialogue back and forth across the floor. The member for Rainy River has the floor.

Mr. T. P. Reid: Mr. Speaker, I have great respect for you, but I think this is very important.

Mr. Di Santo: Mr. Speaker, on a point of order: There are so many private conversations going on that I cannot listen to the member for Rainy River. Since the Minister of Education is interjecting continuously may I suggest that if the member for Rainy River wants to, he should yield the floor temporarily to the minister so she can make her point clearly.

The Acting Speaker: I will ask the members to reduce their conversations and even quit them unless they want to have them outside so that the member for Downsview can hear the presentation from the member for Rainy River, who will continue. We are debating Bill 111.

Mr. T. P. Reid: Mr. Speaker, I was referring to page 3-9 of the public accounts. I really do appreciate the Minister of Education confirming what I had thought all along but had never been able to get confirmation of.

That chart on page 3-9 gives some idea of where the funds are coming from, or perhaps are not coming from, in Bill 111, because we are talking about the Teachers' Superannuation Fund borrowing. I seem to have the attention of the Minister of Education, at least for a little while, and I will voice my suspicion that one of the reasons very little has been done about this is that they have been paying less than market interest on these funds.

The government always says no, and the Ontario Secondary School Teachers' Federation and the Ontario Teachers' Federation tell us they are not happy with it. But quite frankly if anybody else in society could find a deal like that—the Inco workers in Sudbury or anybody else—where they could negotiate a contract and some third party would pick up the 50 per cent cost or better of their pensions, I am sure they would be very happy.

It is interesting, if you look at the chart I referred to, that the interest earnings from section 11 are \$26,830,004. One asks oneself, "What interest rate was that?" In most of these pension plans, the OSSTF and OTF, it has always been below market rate, and this has been a problem that the teachers have complained about for some years. What would the pension rate be if this money were invested either in some securities or in high-grade Canadian savings bonds at 19.5 per cent or whatever? Perhaps under this bill it would not cost the taxpayers quite as much if the money were

employed in a more realistic manner. But because it is being used to finance the deficits of this government—

Mr. Nixon: It just goes down a rat hole.

Mr. T. P. Reid: It just goes down the old rat hole, the sink hole—along with the money they put into land assembly banks, that they put into Suncor, that they put into government advertising, that they put into the jet. It all disappears and is swallowed up.

The real fear that I have after having been here for 15 years, after having been here for eight years as chairman of public accounts, is simply that after a while the people on that side who have been dealing with these sums of money forget what it is all about. They forget that the average taxpayer in the province is paying something like 45 per cent of his income to governments at various levels, that the decision on how they are going to spend their money is taken away from them.

When the Treasurer gets up rather flippantly and says we are going to have a deficit of \$2.23 billion this year, and the government is going to spend \$24 billion, the figures do not mean anything after a while. They really do not—until one finds people in one's constituency living on family benefits or unemployment insurance, trying to raise two or three kids, or whatever, and finding they do not have the money to survive on. The difference in the taxation the Treasurer is levying is not being made up in increased assistance to them.

9:40 p.m.

As a matter of fact, I cannot think of anyone here—I certainly cannot think of any parliamentary assistants, for instance—at that stage. But there are, unfortunately, a lot of people in our society who are. That is where the impact of these taxes comes in. That is where it is our duty to say to the Treasurer and the members opposite that they have to think of the impact these taxes are having.

It is interesting that the Provincial Secretary for Social Development (Mrs. Birch) is in the House. She should know better than anyone else. We know she is very concerned about these matters. She must know what impact this extension and broadening of the base of the retail sales tax is going to have on the people who, in the jargon of the civil service, are her clients. It is going to hurt them, because the government has not made up the difference by providing improved social service benefits to deal with these increases in taxes.

We are here to demand, on behalf of those people who are being affected—and to support those clergymen who were out, and may still be out, on the front lawn of the Legislature—an opportunity for them to come and confront those members who are so drastically affecting their lives. Those budgetary measures are going to have a greater impact on them than anyone else in our society.

The Treasurer has tried to dismiss this by saying nobody likes increases in taxes. But I cannot think of a period in my 15 years here when we have had such severe economic times that presumably are worldwide today. The Ontario government has never been in a better position to say: "We are here to help those people who cannot be helped otherwise, because of the mandate of the federal government to legislate countrywide. But we are here to help the people of Ontario."

Yet, for some reason I do not understand, the first bill that comes before us in the Legislature is not a bill to help those people. Rather it is Bill 111 which gives the Treasurer authority to raise \$2.25 billion, so that he and the Premier can spend it on those priorities they have set—and damn the public. We cannot support that, we will not support it, and we are intending to debate as fully as we can these measures that are put before us.

Mr. Kerrio: Ministers know a lot of people. The minister is going to allow the people to be heard. You can bet on it.

Hon. Miss Stephenson: What?

Mr. T. P. Reid: The Minister of Education said, "What?" I am not sure what that particularly means.

Hon. Miss Stephenson: I just heard something I really didn't believe.

The Acting Speaker: Order.

Mr. T. P. Reid: If the Minister of Education means by that she does not believe people should be able to come and express their opinions in this place—

Hon. Miss Stephenson: No, I'm—

Mr. Kerrio: It was what I said.

The Acting Speaker: The honourable member for Rainy River need not listen to these interjections.

Mr. T. P. Reid: I could probably go on.

Mr. Boudria: Go ahead.

Mr. T. P. Reid: After that vote of confidence, I have to refer to page 4-113 of the public accounts committee. In that section, one will

find the statement of receipts and statement of credits—

Hon. Miss Stephenson: I hope your vocal cords wear out.

Mr. T. P. Reid: No, I do not think that is likely. I do appreciate the government sending me over all this water because it is very helpful.

Interjections.

The Acting Speaker: Order. The honourable member is discussing Bill 111.

Mr. Di Santo: Mr. Speaker, on a point of order: The whip of the government party is having a very long conversation with the member from Greenwood, and I am prevented from listening to the very learned speech the member for Rainy River is making.

Hon. Miss Stephenson: The conversation that is bothering you is the one that is right in front of you.

Mr. Di Santo: I am attempting also to capture the brilliant interjections of the Minister of Education. In her inimitable style—

The Acting Speaker: Further to your request, I will ask honourable members—No, you have made your point. Other members are here to observe the respect that is due to the member for Rainy River, who has the floor.

Mr. R. F. Johnston: Let's all start talking.

Mr. Boudria: Mr. Speaker, on the same point of order: It has been very difficult for me in the last few minutes to understand the very important information given to us by the member for Rainy River because there is too much noise coming from that side—

The Acting Speaker: No, please do not interrupt. The member has the floor. Have you completed?

Mr. T. P. Reid: No. As the wrestler was bent in two, he stated, "I now draw near to my end." I do have a few more comments I would like to make.

If one looks at Bill 111 one will find there is, under the explanatory note, the federal-provincial municipal loans program. I would like to refer to page 2-30 of public accounts which deals with investments in water treatment and waste control facilities and farther down on the page it deals with loans to municipalities. We are dealing with those matters that give authority to raise this kind of money. It shows that investments in water treatment waste control facilities in 1980 were \$1,061,715,675. They rose in 1981 to \$1,115,801,777. This is one of the reasons we

are being asked to okay or approve the authority for the Treasurer under Bill 111.

I reiterate, these things usually run—and they are certainly found in the public accounts, under the fiscal year, whether 1980 or 1981. Yet, the Treasurer is asking for loan authority up to 1983.

9:50 p.m.

It says: "The Ministry of the Environment lets extensive contracts for the building of water and sewage systems to serve municipalities. These investments are being recovered over the life of the agreement with the municipalities. Agreements covering \$1,021,814,905 of the investment are for provincially-owned projects which are subject to service rate billing." It goes on to talk about that. Then the loans to municipalities, which are also found under subsection four of the explanatory note, are very interesting.

Mr. Boudria: What does it say?

Mr. T. P. Reid: It says that the loans to municipalities are not increasing much, at least over 1980 to 1981. I think this should be on the record because I do not think many people understand where the \$23 billion or \$24 billion of their tax dollars are going.

In 1981 the Ontario housing action program had loans of \$111,260,858. The municipalities, which include a lot in the farming areas in northern Ontario, for tile drainage, got \$112,234,106. The municipalities, in regard to municipal works assistance, are \$42,845,345. Does the federal-provincial winter capital projects fund come under the authority of this bill? The Treasurer shakes his head. I will skip that.

How about the federal-provincial employment loans? That came to \$12,508,200 in 1981. The federal-provincial special development loans are \$2,753,800. The municipality of Metropolitan Toronto, which I find interesting, is \$38,860,000 in 1981. Kapuskasing—the Minister of Natural Resources (Mr. Pope) has unfortunately gone—realized almost \$1 million in 1981. It was \$999,727.

In regard to sewage and water treatment facilities for municipalities, it was \$775,121. The Moosonee Development Area Board got \$90,000 in 1981.

We are being asked to approve a bill which would give authority to all the lending to provide funds for these various projects. If we look at page 2-31 of the public accounts we will find other loans and investments and we will also find, not a completely detailed account but

an outline of where some of these public funds are going.

I might add, "The loans to public hospitals are for capital construction. During the 1981 fiscal year, the province made grants of \$17,504,537 . . . to assist public hospitals in meeting principal and interest payments."

The public accounts of the province are a gold mine. I am sure I could stand here and read them for hours. I may be called upon to do so because of the support I have from my people behind me.

Mr. Kerrio: On a point of privilege, Mr. Speaker: I think this is important, although some that were raised before this point may have been questionable.

Our member has made some important assessments of this bill. I attempted to find this bill in my records and I have asked one of my fellow caucus members to do the same. My folder goes from Bill 107 to 108 and then it goes to 125 and back to 109, then 114 and 115. It is very difficult on such an important debate, when we want to refer to the bill in question, to reach into our file and find out that the bills are not in order.

The Acting Speaker: You have made a very good point of order, and I will see that the order books are properly prepared as quickly as possible. Thank you.

The member for Rainy River has the floor.

Mr. Kerrio: They are not now. I have got 108 to 125.

The Acting Speaker: Order. You have made your point.

Mr. T. P. Reid: Mr. Speaker, I do not believe I have brought your attention to page 2-32 of the public accounts, which deals with pension funds. In 1982, if you can believe it, in the public service superannuation fund is \$2,072,142,138.

Mr. Boudria: Unbelievable.

Mr. T. P. Reid: It is unbelievable because the Treasurer is asking us to give him authority to get his hands on almost all of this money.

I have gone on at some length, and I have outlined the—

Some hon. members: Oh no!

Mr. T. P. Reid: No?

An hon. member: Not long enough.

Mr. T. P. Reid: Well, what can I do?

An hon. member: Don't cut it short.

Mr. Wrye: You are convincing the member for Algoma-Manitoulin (Mr. Lane).

Mr. T. P. Reid: The member for Algoma-Manitoulin has spurred me on to even greater heights.

It just so happens there are a few pages in here which I have not referred to that—

An hon. member: Damn few.

Mr. T. P. Reid: Who said that?

The Public Accounts of Ontario, including the index, run to 4-449 pages. I cannot think of very often when anybody has stood in this House and really related the legislation before us, and the expenditures that are going to result as a matter of course from it, to the actual accounts of the province of Ontario—

Mr. Breithaupt: Until now.

Mr. T. P. Reid: Until now.

Mr. Kerrio: This is a first.

Mr. T. P. Reid: I think it has been a very healthy and a very educational process for a lot of people. My colleagues, of course, were all aware of this because they have heard me speak about these matters in caucus, but they were never quite—

Mr. Nixon: He speaks of little else—and pensions every now and then.

The Acting Speaker: The member for Rainy River has the floor and is speaking on Bill 111.

Mr. T. P. Reid: My colleagues in their enthusiasm are getting carried away with the support that I deserve, of course, for doing it.

Looking at the chart on page 4-3, it is very interesting that we could deal with the matters raised by the Minister of Education about the statutory requirements of the act in regard to teachers' pensions. One can see there what the statutory costs come to for each ministry, let alone the Ministry of Education. I would think that probably even the minister has not been aware this can be found in these pages. If she would look there she would find that the statutory allocations for the Ministry of Education in 1981 were \$205,534,592.

I do not want to dwell on this point—

Mr. Nixon: Oh, you might as well. It is worthy of some explanation.

Mr. Boudria: Explain it a little bit.

Mr. T. P. Reid: What can I do?

Hon. Miss Stephenson: He has been explaining for two hours now.

Mr. Nixon: Yes, but you still do not understand it.

Mr. T. P. Reid: Mr. Speaker, if I thought that anybody over there was a fast learner I would

have treated these matters only peripherally. However the Minister of Education has been the first one, to her credit, who has admitted that the matters in Bill 111, in which we are asked to raise funds from the public purse that the taxpayers of Ontario will have to pay for, are related to statutory provisions of the teachers' pensions in Ontario. The minister admitted that. She said it is a statutory provision and I feel it is my duty, perhaps wrongly—

Some hon. members: No, no.

10 p.m.

Mr. T. P. Reid: I guess rightly; what can I do?—to suggest that she is right and I am right to draw to her attention that on page 4-3 of public accounts, the statutory requirements shown for her ministry relate primarily to the pension funds, which we are asked to allow the Treasurer to get his hands on for the completely wasteful practices of Suncor and other things which we do not think should be priorities of this government.

There are those across the way and perhaps even on this side of the House who think this has been an exercise in futility. I have been here for nigh on 15 years. As a member of this House I have received three volumes of the Public Accounts of Ontario and I have not heard anyone deal in depth with the information in these books, until tonight.

I make no apologies for that. I believe the Minister of Education is one of those who will never admit that anyone on this side has made a point. But I will guarantee that she and her staff will look at the public accounts committee statements with some horror and say, "My God, what have we done?" There are others on that side who did not realize the wealth of information that exists in these statements and the impact they have had on the daily lives of the citizens of Ontario. These are pretty dull and deadly statistics.

An hon. member: But you make them live.

Mr. T. P. Reid: I never liked that man until tonight; and it may not last all that long.

We are being asked under Bill 111 to okay all these things for this kind of time. But there is no benchmark: We tend to make speeches in this House that are not really germane, that do not get down to the nitty-gritty. I am trying, because of my experience as the chairman of the public accounts committee and as a member of long standing in this House—

Mr. Nixon: And with your interest.

Mr. T. P. Reid: And my personal interest in these matters—to relate what is going on in the Treasurer's budget to the financial statements of Ontario.

There are those in the press gallery and in this House who do not understand the complexity of what is going on. This bill could be passed, and probably will be, with the government majority. It is only one page, yet it gives the government the authority to raise and spend \$2.25 billion.

There is not a bank in this world, not a country nor an individual in this world—J. Paul Getty, the Bronfman brothers, or anybody else—who can, in one page, with two and a half short paragraphs, raise that money or say, "We are going to borrow \$2.25 billion."

Mr. Speaker, I want to give you and your predecessors in the chair today, and to some extent the Treasurer, some credit for this. Initially, the Treasurer was hoping that this would be a bill that would be dealt with within 15 or 20 minutes and we could get through it and get on to other matters. He tried to raise the odd point of order, saying the member was not addressing himself to the bill, and I submit to you, humbly as always, that everything I have said is related directly to the bill.

Hon. Miss Stephenson: Oh, Patrick.

Mr. T. P. Reid: It is. It is all there. The government finally recognized that we are talking about real money. We are talking about \$2.25 billion which does not mean anything to most people, because what does a million or a billion mean? In this province, in provincial taxes paid, in personal income tax or in sales tax, the average individual man, woman and child is paying a minimum of something like \$1,500 each and every year. It is going to get worse because of this budget. That person is not going to know what \$2.25 billion is, but it is our job to stand here and say, "Your \$1,500, your seven per cent on a chocolate bar, your seven per cent on a doughnut, adds up."

Hon. Miss Stephenson: They shouldn't be eating them anyway.

Mr. T. P. Reid: Bette, people who live in glass houses should not throw stones.

Hon. Miss Stephenson: I don't eat chocolate bars and doughnuts.

Mr. Breithaupt: People in glass houses, shouldn't.

Mr. Speaker: Order.

Mr. T. P. Reid: Have you ever noticed, Mr. Speaker, that it is sometimes the late night

sessions that bring out the wit and sometimes the halfwits amongst us?

Hon. Miss Stephenson: All of the quarter wits are on that side.

Mr. Wrye: Tell us the Elmer Sopha story again.

Mr. Speaker: Now, on with the bill.

Mr. Kerrio: No, Mr. Speaker, I have a point of privilege.

Hon. Miss Stephenson: It has already been dealt with.

Mr. Kerrio: Mr. Speaker, that is uncalled for. They have not heard my point of privilege yet.

Mr. Speaker, you were not in the chair, but I raised a point of privilege earlier on. It is not very often that members get up in their places and thank the Speaker for performing a duty after a member has raised a point of privilege. I did not have the bill in my file here, and in a matter of just a very few minutes, one of the senior clerks miraculously brought me this book with every bill in its proper place. Not very often would a member stand in his place and thank the chair and the people who are conducting the business of this Legislature for a job done in such short order and in such an efficient manner.

[Applause]

Mr. Peterson: That's very gracious of you. Would anyone like to speak on Vince's behalf?

Mr. Kerrio: Well, it is true enough.

10:10 p.m.

Mr. T. P. Reid: I appreciated that point of privilege of my colleague, but I got derailed in my train of thought. Perhaps I could start over.

Hon. Miss Stephenson: Since you have done it 20 times so far, you might as well.

Mr. T. P. Reid: Mr. Speaker, at one point, before I got derailed by the Minister of Education, I was—

Mr. Breithaupt: Sidetracked.

Mr. T. P. Reid: Yes. I was recounting some of those great promises of the Treasurer and his predecessors. I would like to reiterate a couple of matters that have come to my attention.

In the Treasurer's 1981 budget, he said: "This budget sets out a realistic fiscal framework that will (1) encourage the private sector to grow and compete in the international marketplace; (2) maintain the high level of services provided by the province and allow for growth in priority areas . . .

"For this fiscal year"—and this is 1981-82—"the

government has set spending at \$19.4 billion. This represents an increase of 12.2 per cent over the previous fiscal year. Although somewhat greater than increases in recent years, it is a realistic allocation in light of the sensitivity of government spending to inflation. It continues to reflect the government's commitment to providing a high level of services without disturbing the balance between private and public sector growth."

That is what the Treasurer said in 1981. He followed that in the budget of 1982 with this comment. Members will recall that he said in 1981 that he was going to maintain a good, liberal balance between private and public sector growth. In 1982, in this budget, quoting the Treasurer—

Hon. Miss Stephenson: This is the fourth time we have heard this. Don't you have any imagination or new ideas?

Mr. Wrye: But there are new members in every time.

Hon. Miss Stephenson: Well, it was nice of you to arrive for a change.

Mr. Wrye: I was here this afternoon.

Hon. Miss Stephenson: Really?

Mr. Speaker: Order. The member for Rainy River has the floor.

Mr. T. P. Reid: I am quoting from the Treasurer's budget speech of 1982, having reminded you, Mr. Speaker, that in 1981 he said the budget "continues to reflect the government's commitment to providing a high level of services without disturbing the balance between private and public sector growth."

In 1982, and I quote the Treasurer: "In this approach, we feel that we are not asking those in charge of public programs, funded by the taxpayers, to accept any more stringent requirements than we have imposed on ourselves as a government. Over the last seven years, the number of our public servants has actually been decreased by six per cent, from 87,000 to 82,000"—although the statistics from the Civil Service Commission do not bear that out; they are altogether different—"at a time when the general population has increased by six per cent. The salaries at the most senior levels in Ontario have grown at less than half the rate of inflation, not only in the last few years but since 1973."

Most of the statements by the Treasurer are contradictory. We have had the example in the House of Ontario Hydro and what is going on there; the Treasurer and the Premier say that it

is really not any concern of theirs, that it does not really exist.

If members look at Bill 111 and what the Treasurer is asking us, and if they look at the 1982 budget paper, at table 8 on page 17, they will find the funded debt of the Ontario public sector. What we are being asked to do, by giving authority to this bill, is to provide the Treasurer with funds to pay some of the funded debt of Ontario.

If members will look at it, they will see that the funded debt goes from \$15,463,000,000 in 1973-74 to \$33,596,000,000 in 1980-81, and the estimated interim for 1981-82 is \$37,108,000,000. That is an increase of some 62 or 63 per cent in the eight-year period. We are being asked to authorize a bill to help pay the costs of that funded debt in that period.

I am sure the members are interested in these statistics. In 1972-73, when most of those people on the back benches were not here, the funded debt in Ontario was \$1,926 per capita. The members will recall the figures I gave not two minutes ago. The population of Ontario has increased by six per cent; so the debt per person is obviously spread over a much larger number of people. In spite of that, the funded debt per capita has gone from \$1,926 in 1973-74 to \$3,900 in 1980-81, a twofold increase in that period. The interim estimate for 1981-82 is \$4,283.

It might be of even greater interest to the Treasurer to look at the figure for the year when he became Treasurer and brought down his first budget, which I believe was 1978-79.

Hon. F. S. Miller: It was 1979-80.

Mr. T. P. Reid: The funded debt per person per capita was \$3,458 in 1978-79. That is the first year the present Treasurer was Treasurer. In 1979-80—

Hon. Miss Stephenson: You are in the wrong year.

Hon. F. S. Miller: It was 1979-80.

Mr. T. P. Reid: I am sorry. I was trying to make four years five years. I asked the Treasurer and he nodded, so I just thought that was it.

If he did not like those figures, let me give him these. The funded debt per capita in 1979-80, when the Treasurer says he first was Treasurer, was \$3,669 per capita. In 1980-81, it increased to \$3,900, and the interim estimate for 1981-82 is \$4,283.

I am willing to make a small wager that the real figure for 1981-82 is more than \$4,283 and that the per capita debt of every man, woman

and child, the first two of whom obviously are now taxpayers and the third of whom will be, will be close to \$5,000 after this fiscal year with the budget this minister has brought down.

We are asked by Bill 111 to raise \$2.25 billion to pay for these debts the province has run up over the years. If one looks at page 18 of the Ontario budget paper in 1980, if one looks at Ontario's debt servicing capacity, it excludes Ontario Hydro. Now, Ontario Hydro was the single most largest borrower of the province. It borrowed \$500 million on the capital.

Hon. Miss Stephenson: What? Clean up your English.

Mr. Breithaupt: There was a comma between single most and largest.

Hon. Miss Stephenson: Really? It didn't sound like it.

Mr. Breithaupt: I could hear it.

Mr. T. P. Reid: As a former English teacher, I was trying by emphasis to repeat—if the members are fans of O. Henry, they will remember he used to provide emphasis to his stories by repeating superlatives, as I was attempting to do and as escaped the attention of the Minister of Education. As a doctor, she is not all that well educated in literature and the English language but hopes to try to pretend she is. It was interesting—well, we will not go into her use of English the other day.

10:20 p.m.

However, on page 18 of budget paper C of the 1982 Ontario budget there is reference to Ontario's debt-servicing capacity, again exclusive of Ontario Hydro. How can we exclude Ontario Hydro? The Treasurer's argument, although he will not put it this way, will be that the consumers of Ontario are going to pay for that borrowing for the inefficiency and mismanagement of Ontario Hydro.

We have heard about power at cost. I have heard about power at cost ever since I have been here. But nobody has been able to define for me what power at cost is. Does it include Hugh Macaulay's rug?

Mr. Nixon: His what?

Mr. T. P. Reid: The rug on the floor of his office; not the one on his head.

Does it include the largest public relations unit of any firm in Canada? Did the Treasurer see the ads that came across our desk? I should have brought them. We are being asked to vote money to pay for this kind of nonsense.

All members—even you, Mr. Speaker, I am

sure—received this today. This is what we are being asked, by way of this bill—which you are waving at me—to raise money to pay for. It is a press release from Hugh Macaulay that says:

“The attached is an outline copy of a new animated 30-second television message created to promote electrical safety among children. The commercial is now being distributed to all Ontario television stations as a public service announcement. Zap, the safety bird, will also be featured in the comic sections of selected newspapers.”

We are being asked to raise money and to vote on a budget that in the last year has allowed \$300 million to be raised by Hydro, and God knows what we are going to have to raise to pay for the nuclear stations and all the rest of it in the next few years.

Imagine the effrontery of Ontario Hydro to do this, not to us, the opposition, but to the government. There was a day when George Gathercole would eat all of this stuff personally rather than let it get out to the opposition, because he would be too embarrassed himself to allow the government to be embarrassed by this kind of nonsense.

This is power at cost, and all the consumers and taxpayers in Ontario are going to pay for it. We hear about the 54 per cent increase within the next three years. When this government allows this sort of thing to go on, we know very well why it is costing the consumers so much.

Mr. Speaker, perhaps you will allow me, in all this time, one aside. There will be questions on the Order Paper about this item tomorrow and on Thursday about the cost and who is responsible for it. I find it beyond belief that the people in Hydro would have the effrontery to send this kind of thing out at a time of government restraint. Mind you, if they are prepared to accept the increases they are giving themselves and to run their present deficits, who knows?

I referred earlier to the annual report of Ontario Hydro. Unfortunately, I did not have it with me, but my colleague has given me a copy. It is very interesting to read the annual report and then to read the answers to the questions that my leader and my colleagues received today in questions to the Premier, because the Minister of Energy (Mr. Welch) was not here, as to the responsibility of this government for Ontario Hydro.

The Premier got up and did his usual Pontius Pilate act. My God, he makes Lady Macbeth look like an amateur, washing his hands and saying, “I have nothing to do with it.” He is

Pontius Pilate and Lady Macbeth all rolled into one.

I want to read you, Mr. Speaker—and I am almost coming to a close, you will be glad to know—

Mr. Breithaupt: Of this part.

Mr. T. P. Reid: Of this section, of the introduction to my remarks.

It is entitled Ontario Hydro Annual Report 1981, and in it is an interview with Hugh Macaulay, who is a very personable, competent person in many ways. On the first page there is a question: “Hydro appears to be a major instrument in the government’s determination to stimulate the provincial economy. Can you comment on this?” Hugh says, “No, I can’t.”

Can you believe that, Mr. Speaker? This is the chairman of Hydro, and the Premier obviously should have read his annual report before he spoke the way he did today.

To continue the answer: “The Ontario government has called Hydro’s power system a cornerstone of the provincial economy and said that the continued vitality and development of that system is essential to sustaining Ontario’s economic growth.” Who thought that up? Dunc Allan? He got his reward by going to the Ministry of Agriculture and Food, and he is now going to mastermind the leadership campaign of the Minister of Agriculture and Food (Mr. Timbrell).

Anyway: “That kind of thinking, coupled with a new awareness of the value of indigenous energy resources”—and we have not heard of the government doing anything about the peat resources of northern Ontario, but that is for another speech—and the need to end our dependence on fossil fuels, has resulted in new approaches to planning at Ontario Hydro.

“Instead of working merely to meet anticipated demand”—which they have not done very well—“we are now looking at a wider role for Ontario Hydro and considering the effects our large construction projects, our exports, our rates and, in fact, all our activities can have on the social, environmental and economic life of the province.”

I would have thought that was what they had been doing all along. As a matter of fact, I thought that was what we had been told they had been doing all along.

However: “That is one reason why we are going ahead with new hydroelectric projects and completing the nuclear ones we started while we are in a period of surplus generation”—because the government of Ontario and the

Premier told them to do that. "But it is not the only reason," goes on Mr. Macaulay. "Ontario's demand for electricity is growing annually at an average of three per cent."

When was the select committee on Ontario Hydro affairs in business? At that point it was seven per cent per year; then it was three per cent. I would suggest that 1.5 per cent is probably closer to the truth. "And it takes to 10 to 15 years"—it used to take seven years, two annual reports ago—"to bring it on stream."

"We are looking a long way down the road. A lot of things can change." That is one of the more profound statements. "We have got to be ready for anything that comes along"—like an election, like the leadership of the Treasurer, like the leadership of the Minister of Health (Mr. Grossman) or whatever.

"The challenge that faces us is to play an increasing role in the life of the province while continuing to provide electricity to our customers in an efficient, reliable and affordable way."

That is why they are now telling us, from the little information we are getting, that Hydro costs to the consumers are going to go up 54 per cent in the next three years. The Treasurer, who is also the chairman of BILD, is saying that Hydro is one of the cornerstones of our economic development. He knows full well that a lot of factories and a lot of industries are in this province because of cheap hydro rates.

10:30 p.m.

Mr. Speaker: This would be an appropriate time for the honourable member to adjourn the debate.

Mr. T. P. Reid: Mr. Speaker, I was just about to launch into the meat of my remarks concerning the principle of the bill, but I will heed the direction of the Speaker.

On motion by Mr. T. P. Reid, the debate was adjourned.

TAX ON NONPROFIT ORGANIZATIONS

Mr. Speaker: It being 10:30 of the clock, and pursuant to standing order 28, the member for Ottawa East (Mr. Roy) has given notice of his dissatisfaction with the answer to his question given by the Treasurer (Mr. F. S. Miller). He may now proceed for five minutes.

Mr. Roy: Mr. Speaker, there can be very little doubt that the citizens of Ontario were well served this afternoon and this evening by the member for Rainy River. Other than the fact that he put on a splendid performance, he managed to keep the Treasurer here this eve-

ning; so it is to be hoped we will have him here this evening to answer some of the questions I had for him this afternoon.

In the short time allotted to me I am here to plead the case for the charities of Ontario.

The Ottawa Boys and Girls Clubs, the various boys' and girls' clubs right across Ontario, the Young Men's Christian Association and Young Women's Christian Association, the Richelieu clubs, all the church groups, the Boy Scouts, the Girl Guides, all these people who run summer camps are here and listening to the response we are going to get from the Treasurer this evening.

These people are running summer camps. All across Ontario the people benefiting from these summer camps are very often children from single-parent homes or from disadvantaged homes.

Let me give the Treasurer an example. In Ottawa, 73 per cent of the children who attend the summer camp from the Ottawa Boys and Girls Club are from single-parent families. If it were not for these charitable organizations, many of these children would not get the only opportunity they have throughout the whole year to get a break, to get away from the routine, to enjoy nature, to enjoy life with their colleagues and to benefit from something we have believed in Ontario, a worthwhile summer break.

My question, and the question of all these charities across Ontario, is simply this: By his budget, is the Treasurer seriously saying to these charitable organizations, these people whose budgets have been set up since early 1982, who are getting help from the United Way and various other organizations whose budgets were struck a long time ago, that he is going to be imposing a sales tax on the meals of these children attending summer camps?

Is he seriously going to be doing this? Is he going to be imposing a sales tax on the accommodation of these children attending these summer camps? Is this what he is going to do? Surely these people are entitled to some satisfactory explanation and not the subtle and underhanded response that we got this afternoon when he looked at the Minister of Revenue (Mr. Ashe), and he said: "Look in Hansard." Is he is telling the charities of Ontario that they should look in Hansard and to find the regulations some place? Is that how he treats the charities of Ontario?

I have already mentioned the hypocrisy of the people on the other side. I want to mention again that it was not long ago, on April 15, in this very House that the Treasurer and his col-

leagues on that side supported a resolution by the member for Brantford (Mr. Gillies), which said the House acknowledged the tremendous contribution of the Boys and Girls Clubs of Ontario. It prevailed on the Minister of Revenue (Mr. Ashe), as it said here, to consider municipal assessment tax exemption.

Mr. Bradley: Was that before or after the member for Brantford went to Belgium?

Mr. Roy: That was before he went to Belgium, and it was before the Treasurer's budget.

On the one hand, he is asking the municipalities to grant these people an exemption and, on the other hand, he has the nerve now with this budget to tax the meals and accommodation of these children. If he says I am wrong, I am prepared to retract these accusations. At least the people, charities and children of Ontario are entitled to know what these measures are and how they are going to be affected.

I ask the minister, for God's sake, to show some charity, some human kindness, to show that behind his angelic look and smile, there is humanity. He should not tax the charities and the children of Ontario on meals and accommodation for summer camps.

Mr. Speaker: Before the Treasurer proceeds in reply, I wish to make an observation and call attention to the fact that the member for Ottawa East used the word "hypocrisy," which is unparliamentary and unacceptable. I ask him to withdraw it.

Mr. Roy: What was that?

Mr. Speaker: You used the word "hypocrisy" in your argument—

Mr. Roy: There is nothing unparliamentary about that.

Mr. Speaker: Yes, there is.

Mr. Epp: He would not use it if it were not accurate.

Mr. Speaker: With all respect, it is not accurate. It is not acceptable, and I ask you to withdraw it.

Mr. Roy: Mr. Speaker, frankly, I—

Mr. Speaker: I have taken the time to look this up. I ask you to withdraw it.

Mr. Roy: For the sake of parliamentary—how should I say it?

Mr. Speaker: Decorum, perhaps.

Mr. Roy: —peacefulness and all that, I am prepared to withdraw it. But if I cannot use the word "hypocrisy," I cannot criticize that government over there.

Mr. Speaker: I draw your attention to Beauchesne and May. You will find I am right.

Mr. Foulds: Mr. Speaker, on the point of order: I believe you are correct if the member actually attributed that to another member. As I heard his remarks, he attributed it to the policy of the government with regard to taxation. If that is the case, I believe the word is acceptable in parliamentary usage.

Mr. Speaker: That may be quite true. However, the member for Ottawa East did express dissatisfaction in an answer he received from the Treasurer. He was directing his remarks to the Treasurer. Therefore, I must abide by what I said earlier. I would just like to call the attention of all honourable members to the fact that I think there has been great leeway allowed in the use of language. Perhaps, on reflection, more consideration should be given by the members in the usage of it.

Hon. F. S. Miller: Mr. Speaker, I probably have more summer camps in my riding than any other member in this House. I have seen the problems they can cause to municipalities when, through their charitable designation, they sometimes escape the property tax base. Where they are truly charitable institutions, I think most of us felt there was a case for that.

At the same time, one should recognize that in drafting the regulations that currently do exempt charitable camps from any tax, one would have to have certain tests to determine and differentiate between those that truly compete in rates charged with commercial camps and those that perform a function providing a service for children who could not afford an opportunity to go to summer camp. I am sure my colleague the Minister of Revenue, who is drafting these regulations, will be taking this kind of principle into effect as we draft the regulations.

The House adjourned at 10:40 p.m.

CONTENTS

Tuesday, June 8, 1982

Second readings

Ontario Loan Act, Bill 111, Mr. F. S. Miller, Mr. T. P. Reid, adjourned. 2481

Adjournment debate

Tax on nonprofit organizations, Mr. Roy, Mr. F. S. Miller. 2502

SPEAKERS IN THIS ISSUE

Boudria, D. (Prescott-Russell L)
 Bradley, J. J. (St. Catharines L)
 Breithaupt, J. R. (Kitchener L)
 Cassidy, M. (Ottawa Centre NDP)
 Cooke, D. S. (Windsor-Riverside NDP)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
 Di Santo, O. (Downsview NDP)
 Eakins, J. F. (Victoria-Haliburton L)
 Epp, H. A. (Waterloo North L)
 Foulds, J. F. (Port Arthur NDP)
 Gillies, P. A. (Brantford PC)
 Havrot, E. M. (Timiskaming PC)
 Johnson, J. M. (Wellington-Dufferin-Peel PC)
 Johnston, R. F. (Scarborough West NDP)
 Kennedy, R. D. (Mississauga South PC)
 Kerrio, V. G. (Niagara Falls L)
 McClellan, R. A. (Bellwoods NDP)
 Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Peterson, D. R. (London Centre L)
 Philip, E. T. (Etobicoke NDP)
 Piché, R. L. (Cochrane North PC)
 Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
 Reid, T. P. (Rainy River L-Lab.)
 Robinson, A. M. (Scarborough-Ellesmere PC)
 Roy, A. J. (Ottawa East L)
 Samis, G. R. (Cornwall NDP)
 Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
 Turner, Hon. J. M., Speaker (Peterborough PC)
 Van Horne, R. G. (London North L)
 Wrye, W. M. (Windsor-Sandwich L)



Ontario

No. 70

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Thursday, June 10, 1982

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, June 10, 1982

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

NUCLEAR DISARMAMENT

Hon. Mr. Davis: Mr. Speaker, I am rising in my place today to express what I know is a generally held sentiment throughout this Legislature and throughout our province and country. It is on the sensitive and critical issue of nuclear disarmament. I know that others in this House will want an opportunity to express their views, and we welcome that.

Ever since the use of atomic weapons in the closing stages of the Second World War, thoughtful people throughout the world have sensed the tremendous responsibility that we all share to avoid the catastrophic and unthinkable devastation of a nuclear conflict. The government of our country has participated in many discussions on the issue of nuclear disarmament and in the general area of mutual balanced force reduction.

These discussions have involved administrations of both Conservative and Liberal affiliation, and represent the genuine expression on the part of our national government of sentiments that relate to the common desire that Canadians share for peace and for international sanity.

Matters of foreign policy and matters of defence policy obviously do not fall within the constitutional responsibilities of the government of our province. Therefore we have been, in the past, genuinely reticent to express explicit points of view in areas of international negotiation or foreign policy. Such matters are justifiably the responsibility of the government and Parliament of our nation.

Nevertheless, there are certain issues that are so wide-reaching and of such global significance to each and every one of us as human beings and as citizens of the world, that we have a responsibility to search our conscience and share with ourselves the things we care about most.

I believe the nations of the west, and in particular our ally to the south, the United States of America, have shown considerable restraint in the face of consistent Soviet and Communist provocation. We should remember

Afghanistan, Czechoslovakia, Hungary, Poland; all of these might well have provoked some military confrontation.

The restraint the west has shown constitutes a significant investment in international stability and peace despite our deeply felt abhorrence of the rank disregard for international sovereignty that the Soviet Union has shown.

There can be no question, as British troops defend democratic principles and freedoms in the Falkland Islands, that perseverance and continuing vigilance are necessary if democratic freedoms are to survive, and if international sanity is to be preserved. The United Kingdom, and the fighting men and women who work together under her banner, are fighting for all of us who believe in peace and in international order.

It is a desire for international order along with simple human decency that moves people to wish for a reduction in the number of nuclear weapons that exist worldwide. It is very important, and I think most hopeful, that the government of the United States of America is prepared to pursue talks in this direction with the government of the Union of Soviet Socialist Republics.

This does not represent an easy initiative on the part of an administration which is justifiably committed to maintaining America's capacity to defend herself and to discharge her responsibilities within the western alliance. That America should take that step for peace today is a tribute to the innate decency of her people, the farsightedness of her administration and the commitment of that administration to a better world for all people.

The continued escalation of nuclear armaments, in my view and I am sure in the view of every single member of this House, constitutes a serious threat to the survival of mankind. It is important that we encourage wider public discussion on this most important issue. It is also important that all Canadians provide whatever encouragement is appropriate for the government of Canada to pursue in the international arena those initiatives that can in some small way contribute to reducing the threat of nuclear war.

2:10 p.m.

What is important is that we understand there is a price to pay for peace and a price to pay for freedom. Canadians have not been known for their extreme views on matters of international politics. We have been known, however, to make sacrifice for principle and to do so at great cost to the men and women who have defended this nation through three wars.

It is for them that the generation of which every member of this Legislature is a part has a duty to express its concern as citizens and human beings. International peace and stability cannot survive if those who would threaten that stability remain unchecked. Similarly it is as courageous to fight for peace and conciliation as it is to respond militarily when other responses are possible. I hope that our children and their children will be spared the horror of war, and above all the unthinkable horror of nuclear war.

I believe the government of this country would be eager to reflect the views of Canadians and in so doing express abroad what so many of us feel in our hearts. In so doing, we should not be naive about those who have used violence and military methods in the past to advance their purposes. In so doing, we should not condone practices, policies and discrimination which so typify modern-day communism as it is practised by the totalitarians in the Soviet Union. In so doing, we must remember and sustain the principles of freedom and self-determination, the principles of democracy and humanity for which Canadians died and which are so critical to the survival of our society.

A matter that we are reflecting upon is the ultimate question of man's humanity or inhumanity to man. That is a matter beyond any jurisdictional analysis; it is a matter of personal conscience, personal responsibility and personal intelligence.

Those honestly working for peace and nuclear sanity have the support of all of us who care deeply about future generations and the responsibility that we, as individuals, have to them.

Mr. Peterson: Mr. Speaker, I rise on behalf of my party to associate myself and our party with the remarks made by the Premier in his sensitive statement today. I am one of those who, I am sure like many members of this House, are terribly impressed with the broad-based movement in this regard and the number of people from all walks of life who have associated themselves in a sometimes spontaneous and sometimes organized way to bring some sanity to international negotiations today. I am one of those who is very happy to see individual

communities and municipalities involving themselves in this great and most significant of international debates.

It seems to me there is more we can do as provincial members of parliament than just make pious speeches. We have been asked by many people to get involved in allowing the municipalities, through enabling legislation here, to include the matter of international disarmament on a referendum in the municipal ballot. There is no question that a lot of us feel that is a legitimate exercise of municipal responsibility.

My colleague the member for Waterloo North (Mr. Epp) has introduced a bill. If the government would prefer, I would be very happy to support any bill they would like to bring forward on this subject. I am sure, with the good feeling in this House, we could arrange for speedy passage of that legislation which would give substance to our collective feelings on this issue.

I recognize that this is not a partisan issue. I recognize that each person is involved, as the Premier said, with his own conscience and his own feeling. But at the same time, rather than just speaking or feeling, perhaps we should ask ourselves what we can positively do. I believe this one small step by this Legislature would help to give credence to this important and significant movement right across this province, right across this country and right across this world.

Mr. Cassidy: Mr. Speaker, I also want to associate myself on behalf of the New Democrats with the remarks made by the Premier and by the leader of the official opposition.

As members know, I have been working with my friends the members for Renfrew North (Mr. Conway) and Brantford (Mr. Gillies) and circulating some resolutions expressing concern about disarmament and support for a world referendum on disarmament. That has been done on a tripartisan basis for some time. I think it is appropriate that we in this Legislature should be able to speak on the most important issue facing mankind—survival—with the participation of every party and all sides of the political spectrum instead of seeking to do it just from one party or another.

Some weeks ago I was up on Parliament Hill at a rally and I shared a platform with an Ottawa alderman, Darrel Kent, who is a well-known Conservative. Afterwards I said to him, "I am surprised to hear you making those comments about peace and disarmament." He said, "This is an issue that does not respect party lines; it is

something that touches us all." I felt good then, as I do now, to be associated with people in all walks of political life in expressing concern over disarmament.

A number of members of the Legislature took half an hour this afternoon to view the film *If You Love This Planet*, which featured Dr. Helen Caldicott, the chairman of Physicians for Social Responsibility, and which showed some of the implications of what nuclear war would do to this planet were it ever to break out. As she said, the Americans and the Russians both have enough weaponry now not just to kill the populations of each other's countries once or twice, but 20, 30 or 40 times overkill is now in the nuclear arsenals. Sad to say, there are still plans to increase them unless we, all of the citizens of this world, can find some way to stop it.

A single Polaris submarine or a single Russian nuclear submarine with multitargeted missiles has enough power basically to wipe out every city and town in the Soviet Union, in western Europe and in the United States in the course of one exchange. A nuclear war would not be war as we know it; it would be over in the course of half an hour or an hour. Whether civilization would survive in any way after that is hard to say. As Dr. Caldicott said, it may be that those who lived would envy those who had died.

Some of us have been watching very closely, as the Premier said, the tragic war now taking place in the Falkland Islands. We saw today that report of a black day for the British when their landing ships were bombed by Argentinian planes and a large number of crewmen and soldiers were tragically wounded and killed. That is just a small number, though, compared to those who would be affected by even the smallest nuclear exchange.

If a nuclear war were ever to break out we would have no guarantee—this is one of the tragic parts of it—that either side, that any of the parties, would know how to restrain themselves. There is no guarantee they would know how to prevent one small exchange from escalating into a global exchange that would mean a nuclear holocaust and bring an end to society as we know it.

We have to find a way to take our nuclear swords and turn them into ploughshares. Of course, we have to try to do it in a way that is balanced, that is staged and that recognizes that there are opposing systems and that people do have deep-seated distrust which has developed over many, many years. It is worth noting,

however, that there have been no violations of the nuclear treaties that have been made up until now and that the nations of the world have been prepared to respect those treaties. Perhaps they could carry that principle further.

Canadians have been prepared to fight when necessary. We are also a peace-loving people, and I hope we can find means of leading where necessary too. Such initiatives as the letter that Mayor Marion Dewar of Ottawa is now sending not just to municipalities in this country but around the world suggesting referendums, I think should be encouraged in whatever ways we know now. Such initiatives may lead to finding a way in which the people of this planet can say some things to the leaders of this planet about what priority they put on survival.

What can we in this Legislature do? I hope that, in addition to those many MPPs who have already endorsed the two resolutions being circulated, all MPPs can see their way fit to endorse those resolutions. I hope we can find other means to continue a concern about peace and disarmament. I hope we could find a way among the three parties, without trying to claim advantage to any particular side, to make it possible for those municipalities wishing to have referendums not to be held back because of the fear of legal constraints.

The large municipalities do not see that as a problem because they have the resources, if needs be, to fend off a challenge, but the smaller municipalities do not have those legal resources. I believe we can act in order to make it possible for them to proceed.

No issue is more important than survival on this planet, than life or death, than the kind of world that we bequeath to our children, and our children's children, and our children's children's children. Therefore, Mr. Speaker, I associate myself with the Premier's remarks and hope that we in this Legislature, although this is not in our primary area of confidence or of responsibility, can do what we can in order to encourage the cause of peace and the cause of balanced disarmament.

2:20 p.m.

Mr. Renwick: Mr. Speaker, I listened with great interest to the statement made by the Premier on the vexed question of peace and disarmament, and on nuclear peace and nuclear disarmament, and peaceful uses of atomic energy and warlike uses of atomic energy. I want to take the opportunity of participating very briefly in this exchange on such an important issue.

I cannot help but recall to the assembly,

however, that Canada was a participant, with the United Kingdom and the United States, in the original use of nuclear power. Unfortunately for us, it was used for a warlike and destructive purpose.

I was astounded to read just recently, as more and more information becomes available about the events leading up to the decision by the major powers to drop the bombs on Hiroshima and Nagasaki in 1945, that whatever justification there may have been for the dropping of the initial bomb with a view to bringing to an end the war in the east with Japan, there was in my judgement no justification whatsoever for the dropping of the second bomb by the powers at that time.

I have great respect for the leadership of the nations at that time, but this is a warning to the leadership of the nations at this time. The second bomb was not dropped for any other purpose than to test a second nuclear device of a different kind from the first. It is only recently I learned that. The distinction is one that had never been made before.

As we in Canada take the position that we are for peace and disarmament, I think we have a special responsibility to cross party lines and indeed unite the nation on this issue.

I hope we will stand united on the issue of peace and disarmament in the face of a virulent reassertion of nationalism in various parts of the world. That kind of nationalism will always defeat the cause of internationalism, the cause of peace, the cause of disarmament, which cross the borders of all the nations of the world. It will do so unless it is possible to reflect in our institutions this significant wave of concern existing among people throughout the world about the possible horrors of nuclear war, about the possible horrors of war generally, as it is brought to our attention almost every day in the newspapers.

There is a point I wish to address to the leadership of the government of this province. If I could in any way find myself capable of believing that one can distinguish the peaceful uses of atomic and nuclear energy from nonpeaceful uses, then I would support the development of the technology for those peaceful uses. But I do think that we, in this province, are a participant in a borderline question when we are engaged in exporting for our own economic purposes the Candu reactor to other countries, believing with the best will in the world that somehow or other the recipients are going to abide by the kind of rules we hope we

could learn to abide by ourselves with respect to the misuse of nuclear power for warlike purposes.

I am not suggesting for a moment this is a matter which can be settled in a debate in this assembly. It is a matter of ongoing concern. But my present position has led me to believe over the course of time that one cannot effectively distinguish nuclear peace from nuclear war and the use of the technology for peace from the use of the technology for war.

Therefore I am, and have been over a period of time, driven to the conclusion that this province and country should be one of the first jurisdictions of the world to renounce the use of nuclear power for any purpose until such time—if there ever should be such a time when one can distinguish the peaceful uses—as it can be ensured that nuclear power is used for peaceful purposes and it can be made certain it cannot be used for nonpeaceful purposes.

With those comments I appreciate the initiative taken by the government in which all parties join.

Mr. Sargent: Mr. Speaker, following the Premier's remarks, I think he seems to be following the crowd to see which way it is going. This statement has been long overdue.

Mr. Speaker: Order.

Mr. Sargent: I am suggesting—

Mr. Speaker: You are out of order. Please resume your seat.

Mr. Kerrio: You were mistaken—

Mr. Speaker: No, I am not. He has not really identified what he was going to do.

Mr. Sargent: I have the same rights they have on this very important matter.

Mr. Speaker: All right. That is all I wanted to hear. Thank you.

Mr. Sargent: Mr. Speaker, you should have known that. I said the Premier's statement is long overdue. As a private citizen and member of this House, I think he should move to condemn the pending shipment of atomic fuel bundles to Argentina at this time because of the unknown end use of that material. He should make a positive statement in this regard.

MUNICIPAL ELECTION REFERENDUM

Hon. Mr. McMurtry: Mr. Speaker, last week the Premier was asked a question relating to municipal votes on nuclear disarmament. I am pleased at this time to share with the House my opinion and that of my senior crown law officers with respect to this issue.

Of particular concern to the public, members of municipal councils and members of this Legislature is the question of whether a municipal election would be declared null and void by a court if a municipal council authorized the placing of a question on nuclear disarmament on the municipal election ballot.

It is not possible to state categorically that no municipal election could ever be declared null and void as a result of a court challenge in such circumstances. However, it is my opinion and that of my senior advisers that it would be most unlikely a municipal election would be declared null and void only for the reason that a question on nuclear disarmament appeared on the ballot.

An election could be set aside only if it were established that an irregularity occurred of a kind which affected the result of the election for a particular candidate. It is almost impossible to conceive of a situation where any candidate could convince a court that the placing of such a question on a municipal ballot had affected the vote in relation to that candidate.

The issue of whether a particular municipal bylaw placing a referendum question on a municipal ballot is lawful or not may be for the courts to decide. However, I would offer the opinion that anyone seeking to upset the results of a municipal election because an unauthorized question was also put to the electorate undertakes an almost impossible task.

2:30 p.m.

REORGANIZATION OF MINISTRY OF THE ENVIRONMENT

Hon. Mr. Norton: Mr. Speaker, the Ministry of the Environment faces a set of challenges which are radically different from those challenges it faced at the time of its inception 10 years ago. These new challenges have led the ministry to reconsider its *raison d'être*.

As a result, the ministry recently adopted the following goal statement: To achieve and maintain a quality of environment, including air, water and land, that will protect human health and the ecosystem and will contribute to the wellbeing of the people of Ontario.

With these needs in mind I am pleased to introduce today a new Ministry of the Environment organization, one which will have solid foundations to meet the environmental challenges facing Ontario today and in the future.

The primary objectives of the ministry's reorganization are: to ensure systematic planning; to provide better service to various client groups and strengthen several existing programs; to

increase the capability of the ministry to respond effectively to pressing issues; and to establish and reinforce the vehicles for policy development and long-range planning.

Mr. William Bidell has been appointed to co-ordinate the implementation of this reorganization, which will be effective not later than August 3 of this year. Mr. Bidell will apply his extensive administrative and managerial experience, acquired through many years of service to the government of Ontario. I might say that my colleague to my left hastens to remind me that much of that experience was in the Ministry of Transportation and Communications, and that is correct. Mr. Bidell will apply that experience and skill to the task of implementing the reorganization plan.

A new position of senior adviser to the minister has been established to assist the minister and the ministry in developing a new mechanism for arriving at environmental standards that will ensure public input into the development of such standards. Mr. Brad Drowley has been selected to fill this important position. He will also continue to chair the Ontario-Canada task force until the submission of its report in October of this year.

There will be an enhanced environmental planning division consisting of the existing branches in air resources, water resources, waste management, and laboratory services and applied research, as well as a new hazardous contaminants and standards branch and the creation of an environmental assessment branch. The head of this division will be selected through a competition process.

The new hazardous contaminants and standards branch will have very major responsibilities. The branch will be responsible for co-ordinating the development of regulatory programs for the control of hazardous contaminants, and for establishing environmental standards which are integral to the environmental protection programs.

The new environmental assessment branch will co-ordinate the ministry's responsibilities under the Environmental Assessment Act. There will be a competition for the position of director of this new branch.

An intergovernmental relations and strategic projects division is being established to co-ordinate the ministry's efforts in dealing with pressing environmental concerns where solutions require co-operation and involvement with other jurisdictions. This division is of paramount importance. It will have to address

issues that transcend organizational lines and indeed provincial and national boundaries. This approach will, I feel, serve us well in addressing the many complex issues of the day.

As head of the intergovernmental relations and strategic projects division, Mr. Walter Giles will have the title of associate deputy minister, commensurate with the importance we place on the activities that have been assigned to this division and on our negotiations to resolve transboundary problems. This is not, however, creating a three-tier structure, and all division heads in the ministry, including this position, will continue to report directly to the deputy minister.

Initially, the following groups will be assigned to this division: the acid precipitation study co-ordination office, the Niagara river improvement project, the waste disposal site project, and the intergovernmental relations office.

The policy and planning branch, to be headed by Mr. André Castel, will have the responsibility to evaluate the ministry's policies, programs and resource needs, and to co-ordinate the effective management and utilization of ministry resources. The branch will provide the technical links essential for the divisions jointly to achieve the ministry's corporate objectives. The branch will also assume responsibility for external research.

The responsibilities of the regions will remain basically as they are and the regions will continue to report through an assistant deputy minister, regional operations division. There will also be a competition for this position. A new environmental approvals and project engineering branch will form part of this division as well.

The consolidation of most of the approvals functions and the engineering expertise within one branch will enhance the one-window approach and permit a more efficient use of the staff. This branch will review and process applications under the Environmental Protection Act, the Ontario Water Resources Act and the Pesticides Act. It will also encourage the development of water supply and sewage treatment facilities and continue rendering this vital service to the municipalities.

I have, for the convenience of the honourable members, copies of our report entitled, Meeting the Environmental Challenges of the 1980s, which explains and describes the role and objectives of each organizational area.

I believe the organization I have outlined today will give the ministry the means and scope to deal effectively with environmental concerns

of the future as well as to continue to provide a high level of service to the people of Ontario.

Mr. Conway: Mr. Speaker, on a point of order: I have always listened with much interest to the member for Kingston and the Islands (Mr. Norton) report at length about major departmental reorganization, so I was concerned to read today's Order Paper in which the Honourable Alan Pope, QC, MPP, is reported to be the Minister of the Environment. I was wondering if there were parts of the reorganization that the member for Kingston and the Islands did not speak to.

Hon. Mr. Norton: I am beginning to think I may have a profile problem. I notice in an article which was handed to me from the Sarnia Observer that reference is made, quoting a person from Toronto, suggesting that she received a letter on Wednesday "from the Ontario Environment Minister Claude Bennett," so I am not sure where we stand.

Mr. Speaker: Perhaps you had better check your mail when you get back.

WITHDRAWAL OF UNPARLIAMENTARY LANGUAGE

Mr. Roy: Mr. Speaker, on a point of privilege: On Tuesday evening after one of my moderate and controlled chastisements of the people on that side, you brought me to order by saying that I had used unparliamentary language. At that time I had called the people on the other side hypocrites, or at least I had said their policies were hypocritical.

I was surprised by that ruling and, being the good practitioner that I am, I thought I would go to the library and verify the precedents about the use of "hypocrite." I found that prior to 1958 there may have been some basis for the—

Mr. Shymko: You said "bandit."

Mr. Roy: I will deal with the word "bandit" later.

Mr. Speaker: No, please don't.

Mr. Sweeney: That has already been declared appropriate.

Mr. Roy: Prior to 1958, apparently there were precedents indicating the word "hypocrite" may have been unparliamentary. But the latest ruling in 1975 from the then Speaker, the Honourable Lucien Lamoureux, who had a great reputation for establishing very fair and judicious precedent, was this: "The honourable member for Prince George-Peace River says that his alleged question of privilege will provide the

opportunity for an apology to be made, presumably for the calling of members of the opposition cynics and hypocrites. There is nothing unparliamentary about that language." He states. "It is a matter of disagreement. If I were to take steps to purge all discussion in this House of language of that sort, it would become a dull place indeed."

Mr. Speaker, I thought I would bring this precedent to your attention and ask for a perusal of the authorities. I say in all honesty, according to the precedent, there was nothing unparliamentary.

There may have been something unparliamentary about the word "bandit." I researched that as well, and there is no precedent on the word "bandit," although there are precedents on the words "criminal" and "crook." I thought I would bring these matters to your attention, Mr. Speaker.

2:40 p.m.

Mr. Speaker: I appreciate that very much. The honourable Speaker to whom you refer is entitled to his opinion, as I am entitled to mine, and I stand by my ruling.

Interjections.

Mr. Speaker: There is ample precedent for it, and I am not going to quote it again. As I say, we have established a precedent of our own, perhaps.

Oral questions, the honourable Leader of the Opposition.

Mr. Laughren: On a point of privilege, Mr. Speaker: I wonder if you could tell us whether or not the Minister of Labour (Mr. Ramsay) intends to make a statement concerning the very disturbing rumours out of Sudbury today that would have Falconbridge extending for another three weeks what is already a 10-week shutdown and laying off up to 1,000 more workers.

Mr. Speaker: I think that may be more appropriately asked in the proper period.

Mr. Foulds: On a point of order, Mr. Speaker: We are in fact seeking a ministerial statement on the matter before—

Mr. Speaker: The time for ministerial statements has expired.

Mr. Laughren: That is why I asked the question when I did.

Mr. Foulds: The point of order was raised when it was before ministerial statements expired.

Mr. Speaker: No, it was not, with all respect. The time for ministerial statements expired five

minutes ago. I remind all honourable members, in case they have forgotten, that it is Thursday afternoon, private members' afternoon.

Mr. Cooke: Mr. Speaker, I am not sure whether this is a point of order or a point of privilege, but I think it is a legitimate point and I would like it to be heard. The minister involved is not present, but I would like you to review Hansard and report back to the Legislature.

On May 31, I raised a question in the Legislature regarding a nursing home in St. Thomas. The minister indicated that he would get the information and report back to the Legislature, as he did on June 4. I would like very briefly to quote what he said.

Mr. Speaker: Order. I am not really interested in what he said; I would just like to hear your point of privilege or order.

Mr. Cooke: The fact of the matter is, Mr. Speaker, that you have to listen to these two paragraphs for me to make my point.

Mr. Speaker: With all respect, I will have to rule you out of order because of your opening statement. Would you resume your seat, please? I have mentioned to all honourable members that it is not my duty or responsibility to look into matters and report back to the House.

Mr. Cooke: Then will you let me ask you a question, Mr. Speaker?

Mr. Speaker: There is nothing in the standing orders that provides you the opportunity of asking me a question.

Mr. Cooke: Could you tell me what I am to do as a private member when a minister deliberately prevents—

Mr. Speaker: Order. Will you please resume your seat? The most appropriate way is to ask the minister a question when he is here, quite obviously.

ORAL QUESTIONS

RETAIL SALES TAX

Mr. Peterson: I have a question for the Treasurer, Mr. Speaker, on behalf of four gentlemen who are sitting in the Speaker's gallery representing the mobile catering association. In two days they have collected some 50,000 signatures—if the Treasurer does not believe it, he can count them—to a petition that says:

"I am herein acknowledging that this provincial government has abused their use of power in taxation. We the undersigned are joining all

retailing merchants in protesting and denying you this further abuse of our livelihoods."

They have a very important case to make. They requested a meeting with you, Mr. Treasurer, and you will not meet with them; they requested a meeting with the Treasurer and he will not meet with them. They are asking, I am asking and many people in this province are asking the minister to allow the Retail Sales Tax Amendment Act to go to committee for a full and open hearing in order to hear these people who have become disaffected because of this bill.

I would like to deliver these 50,000 signatures to the Treasurer. There are many more thousands to come. Why will the Treasurer not allow these people to present their case to this House?

Hon. F. S. Miller: Mr. Speaker, getting that many responses today makes the horoscope the Star has printed about me today sound a little true. It says, "You could win a 'popularity contest.'" I am not sure that is a popularity contest.

I would like to say I do not know of any refusal to meet. If the member is talking about the Ontario Restaurant and Foodservices Association—

Mr. Peterson: No, the Mobile—

Mr. Speaker: Order.

Hon. F. S. Miller: —I am only suggesting that up to this point I have been very careful, in so far as I know, in the letters I have signed replying to people who have written in after the budget, not to say that I cannot see them. We saw two groups of people this morning. The Ontario Restaurant and Foodservices Association saw my staff and I in turn saw the Ontario Trucking Association. It is a logical part of every post-budget period to have a number of groups of people wanting to see the Treasurer.

In the main, I try to see representative organizations. The representative organization that looks after the hospitality industry in Ontario is Tourism Ontario. It has several component parts, one of which is the Hotel Association of Metropolitan Toronto and another is the Ontario Restaurant and Foodservices Association.

If the member goes back in history, he will find that not only did I see the cover organization but the components separately and together; that I received a brief from the restaurant association which said that while they wanted all taxes taken off all food and liquor for a period of time, if they looked at their industry, the part of it that was hurting most was the

middle to upper restaurant area where the 10 per cent tax arose.

Secondly, the hotel association came in—

Mr. Peterson: This is the mobile catering association.

Mr. Speaker: Order.

Hon. F. S. Miller: I understand—

Interjections.

Mr. Speaker: Order. Will the Treasurer just address his remarks to the original question, please?

Hon. F. S. Miller: I will gladly go back and see where there was a refusal. If the member has a copy of one, will he please send it to me and I will accept it as evidence. So far as I know, I have not been saying too many noes. I have said a few to individuals but not to associations as far as I could help it.

Mr. Peterson: Surely the Treasurer has missed the point of the question and this whole discussion in this House. We believe that bill should go to committee. These people want to represent themselves before that committee to explain to the Treasurer the mistakes he has made in that budget.

Mr. Speaker: Supplementary, please.

Mr. Peterson: The supplementary is this: I want to point out to the Treasurer that he is aware there is precedence for budget bills going to committee. I refer him to Hansard for Monday, March 19, 1962, which reads as follows:

"Hon. J. P. Robarts (Prime Minister) moves that the orders of the day for resuming the adjourned debate on Bill No. 47, An Act to amend the Retail Sales Tax Act, 1960-1961, be discharged and that the subject matter of the bill be referred to the standing committee on public accounts for consideration."

Mr. T. P. Reid: I accept.

Mr. Nixon: I was at the committee.

Mr. Peterson: So there is precedence for going to committee for a detailed review. Given the fact that the Treasurer has already backed off, as have other Treasurers in the past, and given the significant impact that this bill is going to have on hundreds of thousands of residents of Ontario, he should at least have the common decency to hear them out and let them put their case forward in a public and open way, not just—

Mr. Speaker: Supplementary question, the member for Windsor-Riverside:

Mr. Peterson: Mr. Speaker—

Mr. Speaker: That was not a question, it was a statement. you did not ask a question.

Mr. Peterson: What kind of unfair ruling is that?

Mr. Speaker: You did not ask a question.

Interjections.

Mr. Speaker: Will you please resume your seat?

Mr. Peterson: The question was, "Were you aware of the precedence?"

Mr. Speaker: No, you did not word it that way, with all respect.

Interjections.

Mr. Speaker: No, he did not.

Mr. Cooke: Mr. Speaker, I would like to ask the Treasurer—

Interjections.

Mr. Speaker: Order.

Mr. Nixon: Mr. Speaker, surely there is a special importance to the questions asked by the Leader of the Opposition. In your opinion there was nothing interrogative in his statement. In our opinion he asked for the reconsideration that this precedent must obviously bring from him either now or later. I assure you the Treasurer was rising in his place to answer when you simply took the play down to the other party. I would ask you to reconsider so that we can hear from the Treasurer on this matter of importance.

Mr. Speaker: With all respect, I think the honourable the Leader of the Opposition made his point. He did not in fact ask a question. I do not want to hang my hat—

Ms. Copps: He asked, "Are you aware?"

Mr. Speaker: Order. No, he did not, with all respect.

Mr. Nixon: Whether he said it or not, the implication was there.

Mr. Speaker: Order.

2:50 p.m.

Mr. Martel: Mr. Speaker, I hate to rule on my friend and I would not have done this had my friend the member for Brant-Oxford-Norfolk not seen fit to do so last Monday. Rule 28(a) of the standing orders says, "The Speaker's rulings relating to oral questions are not debatable or subject to appeal." He must take his chances. He can appeal it but he cannot debate it. He should make up his mind.

Mr. Speaker: With all respect, in my opinion the Leader of the Opposition made a statement.

He made his point very clearly. In my humble opinion, it did not contain a request nor did it require an answer.

Mr. Peterson: Mr. Speaker, rather than your having to read Hansard and embarrass yourself, I would like to appeal your ruling in this case.

This is very important. The other day, the Treasurer rose in his place and said there was no precedent. He said my colleague the House leader would agree with him. That is just not the case. The question was, was he aware of that precedent and would he reconsider given the fact there is a precedent? That was clearly the question, and I think if you have any fairness at all, you would allow the question to go through and allow him to answer it.

Mr. Speaker: It is not a question of fairness; it is a question of fact. With all respect, you did not ask a question. I have made my ruling. I do not see how anyone can answer a statement.

Mr. Cooke: Mr. Speaker, I am sure the Treasurer is aware that on the day after the budget we asked that the retail sales tax bill be referred to committee. We renewed that request a week ago.

I would like to ask the Treasurer if he remembers that in the blueprint they presented to the federal government at the first ministers' conference, the following was stated: "All governments should agree that any major restructuring of the tax system should be subject to a process of public consultation and review."

How can the Treasurer not follow his own recommendation and by that demonstrate that he is hypocritical, two-faced and undemocratic in not allowing this bill to go out for public hearings?

Hon. F. S. Miller: Mr. Speaker, I thought I detected a couple of unparliamentary words there, but that is fair enough.

First, I would gladly have answered the question of the Leader of the Opposition had there been one and had it not been ruled out of order. I have been used to statements before. I will try in a general way to discuss these.

If my colleagues have found a precedent, I am the last one to try to deny what is a fact. If it is there, it is there. However, I would like to know the conditions and reasons for it. I suggest that at this point in history there is a forum in terms of review with ministers. The public has talked to ministers through associations. We have done that every year.

Our regulations in general reflect the kinds of things suggested to us in those post-budget

decisions. The purpose of regulations is to allow for the great difficulty of putting into regulations the principles enunciated in a bill and all the nitty-gritty, administrative problems one finds. That is always part of the post-budgetary process and always will be.

When an amendment to a bill is required, I think the committee of the whole House is the best route. Unlike Ottawa, the many months we spend discussing it in advance with the public is a useful and well-received system.

In answer to the member for Windsor-Riverside, I did not dramatically change the tax system. I can refer him to an article in the *Toronto Star* a while ago. One of its columnists wrote an article some time after the budget, pointing out that I was suggesting a review of some fundamental tax restructuring both in the Ontario health insurance plan and in personal income tax. I put out a paper—

Ms. Coppis: You suggested that last year. It's a year old objection.

Mr. Speaker: Order. The Treasurer has the floor in response to a question by the member for Windsor-Riverside.

Hon. F. S. Miller: That article made a comment saying they thought this was the proper way when major tax changes were proposed. We see the extension of items covered by the retail sales tax as something that happens every year. Let me tell the member he has not called for this kind of review before, when we took some off.

Mr. Peterson: Mr. Speaker, before I rise on my supplementary, I would like to rise on a point of personal privilege. I would like to read from a letter from James M. Parks, of the firm of Cassels, Brock, Barristers and Solicitors, to Mr. Alfredo Andriano, president of the Ontario Caterers Association:

"Dear Alfredo:

"I confirm our telephone conversation of this afternoon during which I informed you that I had had a telephone discussion today with Mr. John Godlewski of the consumption taxation policy branch of the Ministry of Treasury and Economics.

"Mr. Godlewski is the person to whom I had spoken last Friday after I had sent my letter on Thursday to Mr. Miller requesting a meeting to present the association's brief.

"Mr. Godlewski informed me that the matter had been discussed with the assistant deputy minister and that a decision has been taken within the Treasury department that there is no

need for a meeting to be held with the association. The Treasurer has adopted a position on tax policy as it relates to retail sales tax on prepared food products and the Treasurer (through his staff) sees no point in meeting with you."

So much for the consultation.

Why will the Treasurer not meet with these people? Why will he not hear from these people who are so broadly affected by his retail sales tax? Why will he not hear from these people in view of the fact that it also appears there are a number of mistakes in his legislation? For example, he has said that livestock will not be subject to taxation, but under subsection 3(6) of Bill 115, the exemption for livestock is cancelled and is nowhere else specifically reintroduced in the bill.

The legality of that is a question mark because we believe, as do thousands of others, that he has not thought out what he has done either legally or in economic terms. Why will he not at least allow all of these people to express their points of view rather than refusing to meet them?

Hon. F. S. Miller: The letter the member has read, and I am going back to verify the facts too, is from a staff member and alleges to speak for me. Obviously, staff members often do and I would assume in this case he has verified with somebody. I tell the member that I do not recall that and I am quite willing to meet with them.

TAX BURDEN

Mr. Peterson: Mr. Speaker, I want to tell the Treasurer that we were in Hamilton yesterday and we heard from Alderman Bill McCulloch, a former Tory candidate, who is representing the point of view of Hamilton with respect to the impact of the budget on that community. He believes that the Treasury did not understand the impact that the budget would have.

In view of the fact that it is going to have a tremendous impact not only on the current budget but future budgets with respect to debenturing for the arena, which could cost up to some \$300,000 a year extra, will the Treasurer not consider listening to Alderman McCulloch and a variety of other municipal officials with respect to the effects of this bill and what it is going to do to the property taxpayers?

Hon. F. S. Miller: Mr. Speaker, as Treasurer, I recognize that virtually every municipality will voice that kind of suggestion. I have suggested to my staff and to my colleagues that it would be best to meet with their association representing

all municipalities, and I assume all school boards will want to do the same thing.

I would like my colleague the Minister of Municipal Affairs and Housing (Mr. Bennett) to be present when the municipalities make their briefs. I would like my colleague the Minister of Colleges and Universities and Education (Miss Stephenson) to be present when they make their briefs. That is exactly what overall associations are for.

Mr. Peterson: The Association of Municipalities of Ontario is apoplectic about the Treasurer's budget and there is fighting all across this province because of it. I want to ask him what kinds of studies he did about the effect on the 838 municipalities in this province. What studies has he done? Why did he not share those with the municipalities, or did he walk into this thing blind without having thought about it?

Hon. F. S. Miller: That has been the member's assumption and he has pointed that out time after time. I pointed out that the average impact on municipal budgets was estimated at 0.5 per cent of spending for this year. I think for the school boards it is 0.4 per cent and for the hospitals, 0.1 per cent. I point out that that kind of tax change is no different from those we impose on industry and individuals year after year, whenever tax bases, tax rates or Ontario health insurance plan premiums are changed.

3 p.m.

Mr. Foulds: Mr. Speaker, is the Treasurer aware that the effect on the Hamilton-Wentworth area and the city of Hamilton is roughly the same kind of effect that the federal government had on the provincial government when it unilaterally declared its transfer cost-cutting program? At that point the Treasurer complained, rightly in my view, loud and long about the lack of consultation ahead of time.

Since this involves for Hamilton and for every other municipality a massive shift in taxation, does the Treasurer not agree that the increased costs to the municipalities are worthy of at least public hearings before the committee we have called for?

Hon. F. S. Miller: Mr. Speaker, I do not know whether 0.5 per cent is a massive shift or not. There is quite a fundamental difference in the two problems that the member for Port Arthur likes to link together. The change in the sales tax base and the fact that the federal government withdrew from statutory obligations to the provinces are quite different matters, and he knows it.

Ms. Coppins: Mr. Speaker, the minister did not understand my leader's first question. In the city of Hamilton alone, notwithstanding the debenturing of the arena, the impact on the region and the city is going to be more than \$1 million. The question is—

Mr. Speaker: "Is the minister aware?"

Ms. Coppins: The former Conservative candidate in my riding has asked the minister to bring this to committee. Will the minister listen to the former Conservative candidate in the riding of Hamilton Centre, his colleague, who is begging him to allow this to go to committee so the public can be heard? Will the minister listen to his Conservative colleague or not?

Hon. F. S. Miller: Mr. Speaker, I am intrigued that Conservative colleagues find that they need to come to the member for Hamilton Centre for a proponent. It is nice to hear.

Mr. Epp: You don't even listen to them.

Mr. Speaker: Order.

Hon. F. S. Miller: I want to tell the honourable member that when municipalities or school boards talk to provinces, when provinces talk to federal governments, they talk from a point of view of business, and not from a point of view of partisan politics. It has been that way since time began. Many very good friends of mine who are Conservatives, and most of the elected people in Muskoka are, have come to me and complained about something the province has done. That in no way stops them from being supporters when the chips are down.

Ms. Coppins: Are the chips down?

Mr. Cooke: No. The chips are taxed.

Mr. Speaker: Order.

INCREASE IN INSURANCE COSTS

Mr. Foulds: Mr. Speaker, I have a question for the Treasurer about his disastrous budget and a new side effect that has not yet been discussed in this House.

Is the Treasurer aware that one of the side effects of his seven per cent sales tax on labour repairs will be an increase in insurance costs for home and automobile owners in Ontario, amounting to \$40 million to \$60 million annually, and has he estimated the amount of increase in premiums that will result for home owners and car owners in Ontario?

Hon. F. S. Miller: Mr. Speaker, I can answer yes to both.

Mr. Foulds: Will the minister then give us the estimate of that cost? Also, can he confirm that

he has been approached by the Insurance Bureau of Canada, I believe it was the day after his budget, and that he has responded by saying he "will look into the matter"? Is he now prepared to withdraw the sales tax, given this consideration that he seems to be giving the Insurance Bureau of Canada?

Hon. F. S. Miller: We have seen the insurance group. A number of individual companies wrote in. They had a hearing, I believe during the week of May 24. A complete review was made in my presence last week. A letter was sent back to them upholding our decision to go ahead and tax.

Mr. Roy: Mr. Speaker, in response to one of the questions by my leader and subsequently by the acting leader of the New Democratic Party, the Treasurer seemed to suggest that one of the reasons for denying this bill to go to committee, first of all, was that there was no precedent. The minister has now heard that there was a precedent. As a result, does that not give the minister cause for reconsideration?

Secondly, if I heard correctly, the Treasurer stated that there was no reason for a public hearing because he had much discussion prior to the budget with all those groups. Is he trying to tell us he discussed it with municipalities, school boards, charitable institutions or the people who are here today? Is he suggesting he had a discussion about the impact of the sales tax on them prior to the budget? If that is not the case, why will the Treasurer not give them a forum to do it after the budget? Why will he not confirm that the only reason he does not is that he does not want this political flak to carry on any longer than it has to?

Hon. F. S. Miller: No, Mr. Speaker, I am quite proud of my budget, much as the honourable member may find that difficult to believe. I point out that the people in the restaurant business who are complaining about the sales tax will discover they no longer pay corporation tax and they have some money to reinvest.

Mr. Nixon: Do you mean these guys with the coffee trucks? They are not corporations.

Mr. Speaker: Order.

Hon. F. S. Miller: Those people forgot that we have had sales tax off the purchase of equipment for the past several years.

In this process people assume that if you do not do what they suggested, you neither saw them nor heard them. The democratic process does not mean you accept the advice you get; it

means you listen to the reasons for it, and that I did.

I have said I will meet with the representatives of municipalities and with the representatives of the school boards, with the ministers present. That will be done. I will meet with other organized groups. That is being done. Where we find legitimate, technical problems, we will do our best to solve them in the regulatory way.

Mr. Foulds: Is the Treasurer telling us that he met with the Insurance Bureau of Canada and individual insurance companies?

Hon. F. S. Miller: No.

Mr. Foulds: He did not say that?

Hon. F. S. Miller: May I clarify—

Mr. Speaker: Was that your question?

Mr. Foulds: That was a point of clarification, Mr. Speaker. Perhaps the Treasurer can clarify when I proceed with the question.

If he has met with those representatives or has had representations from them, which he has denied, will he give at least the same consideration to school boards, municipalities and groups of restaurant owners before the tax is finally passed? Is not the most expeditious way of doing that before a standing committee of this Legislature?

Hon. F. S. Miller: No. The member knows that in budget procedures, the tax day of effectiveness is named on the night of the budget. Many tax measures take place effective midnight of that night, while others take effect on predetermined dates according to whatever factors influence them, such as the need to send out information data, the need to allow collectors of tax to become ready, etc. We have done that. The date of tax will not be delayed through the process we are going through.

I assure the member, as I have told the others, that I will be meeting sooner or later, I am quite sure, with the group that represents the boards of education and the group that represents the municipalities, and I will be listening to them.

To answer the member's specific question, I think it was during the week of May 24 when my deputy minister specifically met with a representative of the industry representing the insurers. I am not sure whether a second meeting was held with the organization representing the industry, but I believe it was; I can verify that for him a little later. I had at least two meetings, one with my staff for an hour or more, discussing the pros and cons of the arguments made. They were very carefully laid before me and, follow-

ing that, I ruled that the principle should stand and that the tax should stand.

SKF CANADA LTD.

Mr. Foulds: Mr. Speaker, I have a question for the Premier. I would like to send the Premier a diploma with a Tory-blue ribbon around it. I will explain why when I ask the question.

Is the Premier aware that there is a public auction, which started at 10 a.m. yesterday and is continuing today, to sell off the remaining equipment of the SKF plant in Scarborough, which has been closed by its multinational parent company? Since the Premier is so fond of attending ribbon-cutting ceremonies when plants or buildings open, will he consider cutting that ribbon, because of his government's inaction, which sealed the fate of and killed 325 jobs in Scarborough?

3:10 p.m.

Hon. Mr. Davis: Mr. Speaker, to answer the first part of the question, I was not aware that there was an auction. I am aware of the difficulties at SKF. In answer to the second part of the question, with the greatest of respect, it was not because of government inaction.

Mr. Foulds: A study carried out by York University and funded by the Ministry of Labour indicated, and I will give three brief quotes:

"The SKF manager in Philadelphia said with regard to the Canadian plant, 'They closed the wrong plant.'"

"An SKF manager in Canada said: 'If this were a Canadian operation solely, there is no way it would be closing. In fact, it would be booming.'"

The authors of the study itself said: "A condition facilitating closure was the absence in Canada of legislation that effectively controls the circumstances under which firms can cease operations."

After this tragic loss of a booming, effective, money-efficient, work-efficient plant, will the Premier now bring in legislation to control plant closings and to protect Canadian jobs here in Ontario?

Hon. Mr. Davis: I think the honourable member is aware of the legislative changes that have taken place and of the record of this government in terms of the stability of economic growth in this province. I am quite aware of the contents of the study. I am quite aware of the fact that we do not have legislation in place that forces a company to remain in operation, whether it is a multinational or a Canadian one.

I recognize that the New Democratic Party, as part of its philosophical approach to life in an attempt to direct the lives of individuals and companies, would perhaps have such legislation. I guess that is one of the differences between that party and the point of view of the government.

Mr. Kerrio: Mr. Speaker, while the Premier might not know the auction is going on, I wonder whether he does know that in many places when they have auctions, they will take consignments. I wonder whether he will add his jet to the auction today and see if they will auction it off with all the assets of that company?

Mr. Speaker: That really is not a supplementary. It had nothing to do with the main question.

Mr. Kerrio: Oh yes, it had.

Mr. Speaker: We were talking about SKF, as I remember.

Mr. Foulds: Is the Premier admitting to this House that his own philosophical and ideological hangups are such that his government refuses to bring in legislation that will protect the jobs of Canadians here in Ontario?

Hon. Mr. Davis: No. That is not what I said.

Mr. Foulds: Yes, it is.

Hon. Mr. Davis: No, it is not.

Mr. Speaker: Order.

RETAIL SALES TAX

Mr. T. P. Reid: Mr. Speaker, you will be glad to know that I am in fine voice, and I understand the order of business will be Bill 111 again at eight o'clock this evening.

Mr. Speaker: I hope you have a question now.

Mr. T. P. Reid: I have a question for the Treasurer, who is going to be the unseen guest at every meal as of Monday, June 14, in regard to the tax on meals.

Given that our views on the regressivity of taxing low-priced meals and take-out food have now been vindicated by the spokesmen of Ontario's food service industry and the mobile caterers—and I am sure the Treasurer has seen the ads that are appearing in the papers—I would like to ask the Treasurer about the about-face the government has taken on the need for providing an essential meal on a tax-free basis to certain groups in Ontario.

I remind the Treasurer of what was stated in the 1977 budget: "Ontario has over the past few years increased the level of the retail sales tax exemption for prepared meals so that residents

and visitors alike are able to purchase essential meals free of tax."

Can the Treasurer tell us what circumstances have changed the economic circumstances that are now requiring him to bring in this tax on black Monday?

Ms. Copps: Bye, Bette.

Hon. Miss Stephenson: I am going to Hamilton to make sure you don't get re-elected.

Ms. Copps: He who laughs last, laughs best.

Hon. Mr. Davis: Did your candidate really refuse to answer a question the other night?

Ms. Copps: Your candidate did not even show up.

Hon. Mr. Davis: What, at your meeting?

Mr. Peterson: The Premier is such a liability to him.

Mr. Bradley: The Premier is out of order.

Mr. Speaker: Order. The Treasurer was answering a question of the member for Rainy River.

Hon. F. S. Miller: Mr. Speaker, I tried to explain that the food services of the province are delivered by a number of different kinds of groups and organizations of different entities. They banded together under something called Tourism Ontario. It includes all those people who either handle food or hospitality services, such as motels and hotels, or those who do both, such as some of the tourist lodges. Each has its own separate organization and, of course, they do not always agree. The fact remains that I saw the umbrella organization and I saw two of the component parts, both in advance and one after the budget. I got letters from them.

Going back to November, the honourable member may recall that we had given a year's notice that the sales tax was going to go back on room accommodation on January 1, 1982. At that time the hotel organization asked me to see them. They wrote me a letter, which I would not consider to be my greatest fan letter but which says:

"Your disappointing letter of December 2, which said that you are putting the tax on, has been received today. From the comments contained in it, our meeting with you satisfied the form of listening to an industry while at the same time paying no attention to the suggestion proposed by it. As an industry, we feel that you tolerated our meeting but had little concern for it or the problems which will result in hardship for our industry."

Does the member know what the recommen-

dations were? The recommendations were that I should tax all meals at a rate lower than 10 per cent and that I should reduce the rate of taxation on rooms. I did that.

Mr. T. P. Reid: The Treasurer has been sitting too close to the Premier. The answer had nothing to do with the question. But I will ask a supplementary in any case and try again.

The point of all this is the regressivity of the tax on people at the lower income levels.

In the 1962 budget of the Honourable J. N. Allan, who was a Treasurer who really knew what he was doing, he said, "By exempting food, fuel, rent, children's clothing, books, school supplies and medical expenses, we have avoided taxing most of the items that represent the greatest expense to families with small budgets. It bears lightly on low-income groups and more heavily on high-income groups in accordance with the principle of ability to pay."

That is what we are complaining about. Why has the Treasurer put a tax on those meals? Is he telling those people in the lower income levels, "Do not eat out. Do not have your pizza once a month. Do not have your chicken," or whatever?

Hon. F. S. Miller: First of all, I agree with the member completely. If there was ever a Treasurer of this province whom I respect for his intelligence and warm personality, it was James N. Allan.

Mr. T. P. Reid: Right. But apparently he couldn't pass that on.

Hon. Mr. Davis: You should read what the Liberal critic said about that budget, Pat.

Mr. Kerrio: You could use Jim Allan right now.

Mr. Speaker: Order.

Hon. F. S. Miller: At 87 years of age, he still is going and contributing to the province.

Mr. McClellan: Especially at Niagara-on-the-Lake.

Hon. F. S. Miller: In the Niagara area, let me tell the honourable member, there has to be someone in that area who contributes to the province.

But getting back to the comment: The member would imply that there was never ever any need to review the state of the economy or the tax base or the things we do in this province. Of all the dollars spent by consumers in this province, it is my understanding that fewer than 50 cents out of every dollar draws any sales tax.

Mr. T. P. Reid: I have a supplementary.

Mr. Speaker: You have had your supplementary.

3:20 p.m.

UNIVERSITY FUNDING

Mr. Charlton: Mr. Speaker, in the absence of the Minister of Colleges and Universities (Miss Stephenson), I have a question of the Treasurer.

Is the Treasurer aware that his budget has increased the operating costs of McMaster University to the tune of \$1,480,000 this year and, in addition to that, has added a cost of \$770,000 for sales tax on research equipment and supplies? Does he not understand that these additional costs will jeopardize many important research projects and, as a result, will cost jobs as well? What is he prepared to do to deal with situations like this?

Hon. F. S. Miller: Mr. Speaker, the honourable member asked if I was aware. I am getting many specifics read into the record. I am in no position to verify that the figures the member has just read are accurate. I assume that they are.

I point out to the member that we gave the universities of this province a 12.2 per cent increase this year, which is more than inflation—

Mr. Martel: And took seven back.

Mr. Sweeney: And took half of it back.

Mr. Speaker: Order.

Hon. F. S. Miller: We believe that is a fair increase. In the budget itself I allocated certain moneys for the Minister of Colleges and Universities to give to universities to help them carry out certain necessary major repairs which also were not in their budgets when the year began.

Mr. Charlton: I should point out that the 12 per cent increase this year only helps the universities to catch up with part of the amount they have fallen behind in the past number of years.

In the case of the research projects, most of the funds are federal funds which are already allocated; there are no additional funds. We have a specific case involving Dr. McCandless of McMaster University, who is conducting a research program dealing basically with food chemistry, which is a very important research project; all the funds are already committed. The Treasurer's budget has put in place an additional \$700,000 of tax costs which they do not have the money to pay. What is this professor supposed to do? Pay it out of her own pocket?

Hon. F. S. Miller: As in any university, I trust the management of that university will carry out its allocation.

I point out to the member that through two agencies of government we have earmarked considerable research money, most of which I believe will end up in universities.

The Innovation Development for Employment Advancement Corp., through the Board of Industrial Leadership and Development, has received a major amount of money for research, and the technology centres have also got major amounts of money for development. A good deal of those moneys is going to be spent with universities. Not only that, but through BILD last year we allocated about \$8 million for research equipment that was not in their original budgets.

Ms. Copps: Mr. Speaker, is the Treasurer aware that a further impact of this budget will be to cause the curtailment of courses such as engineering and computer sciences, and that as a result of underfunding by this government over the past four years, McMaster University has fallen back almost 27 per cent in relation to the funding it received in 1982 compared with 1977-78?

This budget will further undermine the quality of education not only at McMaster University but also at universities across Ontario. How can the Treasurer continue to carry on with these inadequate budget measures when the universities are already hit with underfunding, which in the case of McMaster University will amount to a further 27 per cent?

Hon. F. S. Miller: Mr. Speaker, I find it very difficult to reconcile what the honourable member is saying with the comments made by the member for Rainy River (Mr. T. P. Reid), who said I was spending too much money.

Ms. Copps: That is ridiculous. He was talking about Suncor and jets, not about engineering courses.

Interjections.

Mr. Speaker: Order.

EMPLOYMENT IN SUDBURY

Mr. Gordon: Mr. Speaker, I have been given to understand Falconbridge Nickel Mines announced at two o'clock today that up to 1,000 workers will be laid off permanently, effective January 2, 1983. What I want to know is what the Minister of Natural Resources is prepared to do, along with his federal counterpart, the Honourable Mr. Axworthy, to see that this permanent

layoff is ameliorated as much as possible. I think it is a good indication of what happens in the north when we are so dependent on one resource.

Hon. Mr. Pope: First of all, Mr. Speaker, I am now reported to be Minister of the Environment; so I do not know who should be answering this.

I am aware of the announcement by Falconbridge, which I greet with regret. The analyses of the nickel market by our experts in the Ministry of Natural Resources, who are recognized throughout this country and the world for their expertise, indicate that there are no great long-term prospects for any significant increase in demand for nickel or in the price of nickel. Therefore, there is no relief in sight in terms of the health of the nickel industry. That is something I said to the media in Sudbury when I was up there recently for a meeting of some of the municipal organizations in northern Ontario.

We have already made contact with officials of the federal Department of Employment and Immigration, specifically with the deputy minister at noon hour, to attempt to find out what he was aware of in terms of the impending announcement and to indicate that we are prepared to work with him in long-term and short-term programs for these workers and for the Sudbury area.

Under section 38 of the Unemployment Insurance Act, we already have in place a joint employment program where the Treasurer and the Board of Industrial Leadership and Development committee of cabinet have contributed substantial sums of money to employ laid-off workers, from Inco principally, with the co-operation of the regional municipality and the conservation authority and with the advice and assistance of Inco. We are prepared to look at specific project proposals from Falconbridge and from the regional municipality of Sudbury.

We are also prepared to look at how we can adapt the Ontario mineral exploration program to the entire Sudbury area. We think there are some changes we can make within the context of our existing budget, and without changing the program too dramatically, which could have some impact on employment in the mining sector there and in surrounding communities.

We have got together groups of officials from my ministry with respect to developing some of the industrial mineral potential outside the immediate Sudbury basin while at the same time providing some benefits to the Sudbury area.

We are also prepared to look at a couple of proposals that have been made recently by a

member from the Sudbury area with respect to existing mining operations in the area that have been shut down in the past but have some potential.

We will do what we can in terms of additional programs. We are analysing what we can do within the current budget at our disposal. We have made ourselves available to the federal government to assist them in planning for the Sudbury community. We are also willing to listen to suggestions from interested parties about potential government programs.

I emphasize that, given the programs we now have, there is no way we could possibly alleviate the situation for each and every one of those workers in that community, unfortunate though that may be, and that the long-term prospects are not good for the nickel industry.

Mr. Gordon: I hope the Minister of Natural Resources, along with the Minister of Industry and Tourism, is prepared to get the Minister of State (Mines) in Ottawa and her confrères off their collective butt to get something going with regard to a mining machinery business within northern Ontario. It is my understanding that they are looking at ways and means to renege, because they are not interested in seeing northern Ontario as being anything but a resource area. That is the way the federal cousins sit.

Mr. Speaker: The member for Sudbury East; final supplementary.

An hon. member: The minister didn't answer the question.

Mr. Speaker: That was not a question and does not require an answer.

Ms. Copps: Mr. Speaker, I have a point of order. For the information of the member for Sudbury, who seems to be so informed, the Ministry of Industry and Tourism in this province no longer exists.

3:30 p.m.

Interjections.

Mr. Speaker: Order.

Mr. Martel: Mr. Speaker, if the feds are not prepared to enter into the Jarvis Clark agreement, is the province prepared to go it alone despite the disclaimers by the federal member from North Bay, Jean-Jacques Blais, that we should, and despite the federal Conservative from Parry Sound?

Second, I agree with the member from the Sudbury area who asked the minister whether he is prepared to use National Steel for some other things such as the milling of gold, which

has been requested, even though it would only create maybe 50 jobs. I would like to know if the minister is prepared to move in on both of those immediately to ensure there will be at least some jobs to take up the slack. And I do not mean make-work projects.

Interjections.

Hon. Mr. Pope: The member for Ottawa East (Mr. Roy)—

Mr. Speaker: He did not ask the question, with all respect.

Hon. Mr. Pope: —and the member for Hamilton Centre (Ms. Copps) have once again proved that a northern Ontario Liberal is a Liberal is a Liberal.

Ms. Copps: You used to be one. You should know.

Mr. Speaker: Order.

Hon. Mr. Pope: Mr. Speaker, the highlight of your trip to Timmins was the—

Interjections.

Mr. Speaker: Order. Would the minister resume his seat, please?

Interjections.

Mr. Speaker: Order. The Minister of Natural Resources with an answer to the question from the member for Sudbury East. One.

Mr. Martel: Two.

Hon. Mr. Pope: Yes, there were two questions. I apologize, Mr. Speaker.

I cannot give the undertaking of the province that we are prepared to go it alone if the federal government should back out. I had always been led to assume the federal government was aggressively promoting the company and the mining equipment manufacturing industry in Sudbury. I had always assumed the honourable Minister of State (Mines) for the federal government was behind us and was working for it.

I have not had any confirmation at all that the federal government has decided not to go ahead with this project; I had understood that it was with federal government support that the proposal was put forward to the Board of Industrial Leadership and Development committee of cabinet. I will be very surprised and disappointed if the federal government does not come through with a contribution; but if it does not, obviously the BILD committee, which meets to decide these matters, would have to review its position. So I cannot, on behalf of the BILD committee, give any such undertaking to the honourable member.

The member is quite right about National Steel. We have been examining it. There are some financial impediments to private-sector involvement, but we are working today on putting together some proposals, which we will discuss with the members from the Sudbury basin, with respect to that site. We are doing some geological work right now with respect to gold occurrences not only in the Sudbury basin but in the perimeter surrounding the regional municipality of Sudbury.

ONTARIO DEVELOPMENT CORP.

Mr. Riddell: Mr. Speaker, I have a question for the Minister of Industry and Trade. Is the minister aware that Hughes Boat Works, located in Huron Park, which is owned by the Ontario Development Corp., was put into receivership? As the Minister of Industry and Trade, will he look into this matter to ascertain whether indeed it was the Ontario Development Corp. along with the Toronto-Dominion Bank that put it into receivership? If so, does he not think it would be better to see if special concessions could be granted to Hughes Boat Works, such as waiving the rent, in order to keep them in business rather than to put them into receivership and put about 92 employees out of work?

Hon. Mr. Walker: Mr. Speaker, I suspect a number of the honourable member's assumptions are inaccurate, but I will certainly attempt to have an answer for him.

Mr. Riddell: If the minister finds there is nothing that can be done and that the company has gone into receivership or bankruptcy, whatever the case may be—I have heard both stories—would he see the employees are given preferential treatment and that they receive the \$500 vacation pay they are entitled to along with the month's salary that is still owing them?

Hon. Mr. Walker: It would be appropriate for us to make sure we have all the details before answering.

EMPLOYMENT IN SUDBURY

Mr. Laughren: Mr. Speaker, I have a question for the Minister of Labour concerning the labour problems in Sudbury, which affect the entire community.

Inco Metals has not made another offer since its last offer was overwhelmingly rejected by the union in Sudbury. The union has been extremely flexible in its demands and is most anxious to get back to the bargaining table. In view of this, would the Minister of Labour have a meeting

with Inco officials and tell them to get back to the bargaining table and make a decent offer to the workers in Sudbury? The consensus in the community is that unless they start talking very shortly, it will be a protracted and agonizing strike.

Hon. Mr. Ramsay: I share the concerns of the member for Nickel Belt. We have been holding meetings separately all this week with representatives of the union and the company.

Perhaps I could read a telegram that went out earlier today. It says, "I wish to confirm that I am convening a meeting at 400 University Avenue on Friday, June 11, commencing at 11 a.m. The purpose of the meeting is to enable representatives of the parties to exchange information. I would hope this information exchange would lay the groundwork for a subsequent resumption of bargaining. I understand three senior officers of the company will be present and approximately six representatives of the union will be attending. I sincerely hope this initial step will be important in moving towards an early resolution of this dispute."

As I have said before, this is an extremely sensitive matter. I do not want to get anyone's hopes up just because we finally managed to get the parties together tomorrow. We are going to do everything we can to build on this meeting, but the subject matter is extremely serious.

Mr. Laughren: I asked my question concerning the labour problems in Sudbury very deliberately because my supplementary has to do with the problems of workers at Falconbridge.

Would the minister look into the ethics of this announced layoff of up to 1,000 workers and the extended shutdown in the midst of bargaining with the Mine, Mill and Smelter Workers Union? Would he also look into the pattern that seems to occur in Sudbury about layoffs and shutdowns during years when bargaining occurs?

Finally, would he look into the legitimacy of the shutdown of a mine called the Onaping mine by Falconbridge about a month ago? They did not lay off workers but rather transferred them to other operations within the company. That means, of course, they did not have to provide severance pay to those workers.

Hon. Mr. Ramsay: Perhaps it might be appropriate to give a brief background of the announcement today for the benefit of everybody in the House.

Falconbridge employs approximately 4,031 employees, 2,830 of whom are represented by the Mine, Mill and Smelter Workers Union. The

company had previously announced a 10-week summer shutdown commencing June 27, comprising five weeks' vacation for most employees and five weeks of layoff.

As of two o'clock this afternoon, the company announced the following additional layoffs: The temporary layoff has been extended to 13 weeks from 10 weeks and will now commence on June 27 and end on September 26. On September 27, it is expected that all employees will be returned to work. There will then be a phased layoff of up to 1,000 employees being placed on indefinite layoff between September 1982 and January 1983. These layoffs will affect both the Falconbridge mine and the Fraser mine as production is reduced.

3:40 p.m.

The total reduction in employment will affect 1,000 employees by January 1983. However, the staging of the layoffs is not known at this time. In addition, the number of employees actually laid off could be reduced depending on how many employees take advantage of a previously announced early retirement plan. There are now 500 employees who are eligible for early retirement.

In direct response to the member for Nickel Belt, I am aware of the Onaping mine closing and the circumstance which he has described. That is in the hands of our plant closure review and employment adjustment branch at the present time. It is looking into it.

I would also advise that the Falconbridge people did consult with our plant closure review and employment adjustment branch before it made this announcement today to make sure it was following the legislation of this province. The company has assured us—and I pass this along only on the basis of a statement it has made without any editorial comment from myself—that the strike at Inco is not expected to affect this decision.

Mr. Wrye: Mr. Speaker, I am sorry I missed it, but did the minister indicate in the telegram that was sent that he will be involved in the meetings tomorrow? If he is not prepared to be involved in the meetings between Inco management and the union, will he do so? Did he indicate he would be meeting with them personally?

Hon. Mr. Ramsay: Mr. Speaker, I believe the first sentence of the telegram read: "I wish to confirm that I am convening a meeting." I will be in attendance. I have personally been in touch with the principals. I have asked them to come and they have agreed.

GROUP HOMES FOR MENTAL PATIENTS

Mr. Ruprecht: Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing about group homes. Does the minister realize the establishment of group homes for former mental patients is a matter of critical urgency? I think the minister realizes the Minister of Health made statements like that in the past. Does the minister believe it is proper for each Metro municipality to be required to provide a fair share of such homes?

Hon. Mr. Bennett: Yes, Mr. Speaker.

Mr. Ruprecht: The minister will also realize Metro council in 1979 passed a policy that each municipality in Metropolitan Toronto should create as-of-right zoning for group homes. It reaffirmed the same decision in 1980. Both these decisions were made. As of this point, from what we can determine, the Minister of Municipal Affairs and Housing has not yet referred this group home bylaw to the Ontario Municipal Board.

When will the minister refer the group home bylaw to the Ontario Municipal Board? If he has not done so, why has he not done so and when is he intending to do so?

Hon. Mr. Bennett: I am very much aware of the actions taken by Metro council and indeed by some of the member municipalities that find some objections to the ruling made by their own Metro council.

Some of the municipalities have moved forward to try to provide groups homes and amend their official plans to correspond to that of Metro. One or two have not and I am well aware of that. What we have attempted to do, before we take it to the Ontario Municipal Board, is to try to find some way of rationalizing the situation between some of those associate municipalities, Metro and the provincial position. I am still in that position and indeed the ministry planning people have been discussing it at the various levels.

We do not believe we have arrived at the point where there cannot be some compromises to bring into being group homes in all of the adjoining municipalities in the Metro government area. Until I am certain that position is being completely frustrated, I reserve the right to continue with those negotiations. At the point that we believe—on the advice of counsel for Metro and the adjacent or associate municipalities, and my people—we are frustrated and cannot go any further in negotiating a reasonable settlement of the situation, I will decide

whether we should send it to the Ontario Municipal Board.

If the member would listen, I said very clearly I will be taking the advice of the legal counsel of Metro, the adjoining municipalities that are involved in the dispute, and those negotiating on behalf of the ministry.

REPORTS

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Harris from the standing committee on resources development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of the Environment be granted to Her Majesty for the fiscal year ending March 31, 1983:

Ministry administration program, \$10,531,800; environmental assessment and planning program, \$33,679,500; environmental control program, \$285,853,600; waste management program, \$15,997,000.

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Treleven from the standing committee on administration of justice presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill Pr32, An Act to continue the Corporation of the township of Fauquier under the name of the Corporation of the township of Moonbeam.

Motion agreed to.

MOTION

PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Gregory moved, notwithstanding standing order 64(d), Mr. Epp and Mr. Mancini exchange positions in order of precedence for private members' business to be debated.

Motion agreed to.

INTRODUCTION OF BILL

ONTARIO HYDRO ACCOUNTABILITY ACT

Mr. J. A. Reed moved, seconded by Mr. Kerrio, first reading of Bill 141, An Act respecting the Public Accountability of Ontario Hydro.

Motion agreed to.

Mr. J. A. Reed: Mr. Speaker, the purpose of this bill is to provide a means of clarifying the

functions and duties of Ontario Hydro related to the production, generation, transmission, distribution, supply, sale, use and development of energy resources in Ontario.

The bill requires that the Minister of Energy, on behalf of the government of Ontario, issue a policy directive setting out the policy framework within which Ontario Hydro is to make operational and management decisions. The Power Corporation Act is amended to clarify that it is a responsibility of the board of Ontario Hydro to ensure that the business of Ontario Hydro is conducted within the limits established by the policy directive issued by the Minister of Energy.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

NATIVE PEOPLES' RIGHTS

Mr. Nixon moved, seconded by Mr. McGuigan, resolution 27:

That this House instruct a standing committee or select committee to initiate a review of the rights of the native peoples in Ontario as presently existing and to modernize and upgrade such rights to achieve justice and equity for the native people as full participants in our national community, including such matters as language and education rights, land claims, hunting and fishing regulations, compensation for pollution damage, the teaching of the historical place and cultural role of native people, and such other matters as pertain to the fulfilling of our provincial constitutional commitment in this regard.

3:50 p.m.

Mr. Nixon: Mr. Speaker, I feel a special responsibility to bring forward this matter to your attention and to the attention of the House since I have the honour to represent the Six Nations Indian community—the largest, or at least the most populous, Indian reserve in Canada.

Many of my constituents expressed their concern to me as their member, and to many others, when the constitutional agreement recognized and guaranteed existing native rights and made a commitment that the matter of evolving rights be considered by the first ministers with a minimum of delay. Their concern was that existing rights are poorly comprehended and that many feel the other residents of Canada, the white population, are completely unaware of their background, what their role in our nation has been and what they hope to

achieve among their peoples and in their community in the future.

I know that many of us as elected members of the Legislature have been aware of the very deep and continuing dissatisfaction expressed by the Indian people in constitutional matters and in general in their dealings with all levels of government and even the white community at large.

I believe it is our responsibility to see that the commitment undertaken by the first ministers, including the Premier of Ontario (Mr. Davis), is not roughly set aside or ignored, but that we deal with the legitimate claims of the Indians in Ontario in as broad and as sensitive a way as we possibly can.

I am aware that the executive council of the chiefs of the Indian community in Ontario met with the Premier in May, just a few weeks ago. Not all of the Indian chiefs were able to attend but certainly this is a good beginning. The Indians obviously will appreciate having met with the Premier himself, and he is not unaware of his responsibility both as Premier and on a personal basis, having been one of the original signatories to the constitutional agreement.

Members may recall that the constitutional situation was pretty well on the rocks until at the final meeting of first ministers, a rather informal agreement, as in somebody's kitchen, was arrived at. The Attorney General (Mr. McMurtry), the Minister of Intergovernmental Affairs (Mr. Wells), Roy Romanow, Jean Chrétien and others were there, working on a rough structure upon which all the first ministers could agree and get the matter on the road.

It meant ignoring some of the real and continuing problems and among those was the whole matter of native rights in our nation and in our Constitution. That is something we must now address.

I hesitate to report that the Indians have lost a good deal of confidence in politicians at all levels. Some of them have said very clearly that they feel bereft of almost any sort of an appeal. When they went to Westminster at the time of the Constitution and attempted to appeal to the law lords and finally to Her Majesty, they were not doing this in any kind of grandstand play. Rather it was on the basis of their understanding of their role in this part of the world, not so much as Canadians but as allies of the crown.

This seems to be an almost unimaginable situation. But we must really be aware that the original treaties and grants were given to the Indian people in recognition of their strong

support of and alliance with the British crown. They had nothing in them which allowed or even indicated any sort of change of allegiance or citizenship and which treated them in those early days as a separate nation.

Many of these Indians, traditionalists, look on themselves as a separate nation and wish they could be so regarded. Frankly, I can see a procedure through which we might recognize that nationhood and work out an amicable and useful agreement with the Indian communities. Granting them complete independence over the control of their own affairs might well be one of the alternatives.

Most people feel that in this day and age we cannot really countenance a nation within a nation. We hope that both sides, white and Indian, will look to the specific grievances that have come down for so many years and try to accommodate, on a fair and equitable basis over a period of time, the kind of agreements, monetary and otherwise, which will allow the Indian nation—if they choose to call themselves that—a role to play in the expanding fabric of the Canadian nation.

I want to speak specifically about some of the matters that have been brought to my attention. We should be aware that in 1979, the latest year for which I have definite statistics, there were 310,000 registered Indians in Canada. This is a substantially larger number than there were at the time of Confederation and even at the time of the British conquest of this part of the world. Then the part of Canada which is now Ontario was peopled by well-developed Indian communities who had established in their own right procedures for imposing peace on their own community and a standard of living which was excellent as far as they were concerned—and even as far as we are concerned, looking back on it.

In Ontario we now have 67,000 registered Indians, which includes an increase of about 25 per cent in that population since 1967, or about two and a half per cent per year. Therefore we must realize that people with Indian heritage are growing in number, and it appears the problems they are experiencing in our community are growing almost at the same rate.

I also want to bring to your attention, Mr. Speaker, a publication entitled *The Ontario Indian*, which is found in our own library. It is published by the Union of Ontario Indians and comes out regularly. Having had a chance to look at its articles, and read the ads and the opinion pieces in it, I find it extremely useful. It

is characterized not only by being factually and statistically well-based but by having an interesting and very broad view of the problems. I want to quote one section from an opinion piece in the *The Ontario Indian* for May 1982:

"We speak to the world of our poverty, yet we"—that is, the Indians—"currently have \$300 million in trust accounts while we generate another \$300 million in band revenues (per year). We are subsidized to the tune of approximately \$1 billion a year by the Department of Indian Affairs. All this is supplemented further by program moneys from Health and Welfare, Secretary of State"—those, of course, are federal—"and numerous provincial government sources, in addition to grants from various foundations."

So, basically, there is substantial support for Indian programs but it is based essentially on the treaty obligations the government of Canada entered into many years ago.

The Indians are organized in a rather loosely knit group made up of about four to five basic sections: those Indians coming under what is referred to as Treaty 3, those from Treaty 9, the organization of Iroquois and associated Indians, the Union of Ontario Indians and, finally, independent bands. They have come together under an organization called the Executive Council of the Chiefs of Ontario Indians.

Those people are knowledgeable, and this organization will, I hope, forgive me and see that any misdirection that I might have in my words is corrected. There are a number of organizations, but probably the union itself which publishes the magazine to which I referred, and the organization known as the Chiefs of Ontario Indians, are the most effective and the ones to which we as members of the Legislature must turn in dealing with the organization at large.

To begin with, there is a general feeling among the Indians that we are already showing a certain reluctance to come to grips with the sorts of changes in the constitutional rights the Indians wish to enjoy which were guaranteed by the undertaking signed by the Premier. They also feel there is a reluctance regarding the undertaking that the changes would be reviewed with the Indians themselves.

4 p.m.

Land claims are a continuing and extremely troubling matter. Other jurisdictions have come to grips with this, realizing that in some instances it is possible to buy out the Indian rights to properties already developed or about to be

developed. The state of Alaska is one clear indication of where that is possible.

One closer to home is in the province of Quebec where the government undertook a discussion and finally reached an agreement with those Indians having their hereditary living areas on the eastern shores of Hudson Bay and James Bay. This was made necessary by the elaborate hydro developments there. Substantial sums of money were taken from the public treasury and credited to the Indians. In other words, an agreement is possible.

In some instances it may not be possible. We are well aware of the continuing concerns in this matter that affect us here in Ontario. I quote briefly from a Toronto Star article dated April 12, 1982, by Daniel Stoffman:

"The Deep Water people will ask the Supreme Court of Ontario tomorrow to decide that Daki-Menan belongs to them. That is an Ojibway name for 3,800 square miles of land around Lake Temagami, northeast of Sudbury. The land is rich in lumber and minerals and has some of the prettiest wilderness in Ontario.

"Some 600 Indians . . . share the land with about 1,500 non-natives. The Indians say all the land belongs to them because their ancestors never signed a treaty giving it up. Legal experts say the Indians appear to have a strong case and may win. The results, says a Temagami lawyer, would be unthinkable.

"Because provincial laws, under the British North America and Indian Acts don't apply to Indian land, the Temagami region would no longer be under the jurisdiction of the Ontario government. . . . The status of local institutions such as municipal governments and school boards, as well as the provincial highways and hydro lines, would be uncertain, he said, noting that the Temagami case could also set a precedent for other unsettled land claims in Ontario."

There are other instances much like that. I am not sure any amount of money could buy out the claims of the Indians for the hereditary lands for which they have never signed over title either inherently or on any piece of paper. There has never been any agreement with any other group that they are anything but owners of the land which they lived on and occupied from time immemorial. So eventually we have to come to grips with these matters.

Members may recall that the government at one time undertook to plan a major recreational area in the Temagami region that I refer to. They were going to call it "Maple Mountain." There was a lot of excitement about it. The

Minister of Northern Affairs (Mr. Bernier) and his platoons of public relations officers—he has the biggest public relations staff of any ministry of government—were cranking out stuff by the boatload about Maple Mountain.

The Indians said, "Just a minute. That is our land." Their claim was not scoffed at. The government drew back immediately. There has been a hold or warning on the titles to those properties ever since. The Minister of Natural Resources (Mr. Pope), being a highly skilled lawyer himself—and we are going to send him back to his law office as soon as possible—is well aware these claims are very significant indeed.

It really is silly to let the thing just go on without at least attempting to work out some sort of agreement with the Indian people that is fair and just on each side. If there is not such an agreement, then we should recognize they are Indian lands and govern ourselves accordingly. Then if we want to build a recreation area there on behalf of the community at large, it could only be done with the concurrence and full participation of the Indian owners.

I have mentioned the Constitution and land claims. Hunting and fishing rights are a matter that really must concern all of us. The right to hunt and fish was inherent in the Indian people in this part of the world and never removed.

The only way the courts can impose these rules and regulations on the Indians is by assuming that somehow they are Canadians like the rest of us. The Indians say they are not. Many of them want to be called Canadians, and so many of them have been extremely valorous and courageous warriors in two world wars, and on other occasions, that many feel they are Canadians. The old idea of a separate nation does not appeal to them, but they do say they have the right to hunt and fish without the regulations of the minister being imposed on them, particularly on their own lands. That is something they are not prepared to bow down to and knuckle under to.

We have discussed pollution matters in this House for years. There have been some payments made to the Indians in Grassy Narrows and Whitedog, particularly associated with the mercury pollution in the English and Wabigoon river systems. I talked to some experts on that and they feel perhaps the Indians were not well advised under the circumstances, and the government might find that matter has not been fully disposed of.

There are pollution problems in many Indian

lands for which no reparation has been paid. Nothing has been done other than in a couple of instances where cold storage lockers were bought so the Indians could get their fish in nonpolluted water, take it back to their own community and keep it cold, so they can eat the fish some other time. That is a terrible solution. It might save them from getting mercury poisoning or something like that, and of course that is essential, but in the long run we have to have a better solution.

Indian education itself should be, and is, under the responsibility of the Indian bands in most instances. Being a teacher, I would be honoured to teach in the Pauline Johnson secondary school in the city of Brantford. It was named after the Indian poetess. She is one of our national luminaries and one of whom we are very proud. But many Indian kids, having graduated from grade eight in schools on the reserve, came into this school and suffered all the special problems of being dumped into a white community, even though I do feel this particular white community has a good deal of respect for the role the Indians have played in the past in the development of Brant county and the city of Brantford.

I taught many of the young Indian people, who were outstanding students. They certainly had excellent athletic abilities, and their personalities were such that they could adjust to the shock of coming out of a relatively small community and going into a nearby city. But there is a special pressure on them. I think that is something we must be aware of; not that we as a province have a responsibility for their education until they come to our schools, but I personally believe that when they do come to our schools our curriculum ought to emphasize the role of the Indian people in the development of Canada, and the fact many people are not even aware of, that we would not be a nation if the Indians had not been our allies during the American invasion of 1812. They actually saved the country. There is absolutely no doubt about that.

There are many such things that ought to be a part of the knowledge of every kid, every student, every young person and the rest of us in this country. The developmental potential—I see Mr. Speaker is very concerned about the time. I read that I have three minutes.

The Deputy Speaker: Well, good. You are right. I was not—

Mr. Nixon: The Speaker was jumping up and

down, so I thought there was some message inherent in all that activity.

The developmental potential of the Indian lands is something the rest of the community ought to be aware of, and with which we might help them. I almost tried to get up on a supplementary to the question that was put to the Minister of Natural Resources about the closedown of the nickel mines in Sudbury, or the permanent laying off of 1,000 workers. One of the reports I have indicates that 15 per cent of our metal resources still underground, of those that are of the highest quality and easily workable, lie on Indian lands.

In many instances, I believe they are not developed simply because of the problems of title to the property. We could assist them in that development. It might bring in the kinds of revenues the Indians down in Oklahoma have had over the years, as that black gold was pumped out of their reserve and financed a way of life for them that put them on a level with the sheikhs of Araby rather than the cornplanters in the rest of Oklahoma. I do not mean cornplanters in the Indian sense, but in the sense that they actually are farmers.

The whole area of development and tourism, in crafts, in farming, and I have already mentioned the development of minerals, is there for us to contemplate.

4:10 p.m.

I call for a committee. I have some reluctance to do that because we have lots of committees and there may be some alternative. I do not believe it should be done by the minister making a recommendation to the cabinet, followed by an announcement to the House. I believe the members of the House should constitute themselves as a committee and undertake to go to the Indian communities and meet with the Indian leaders and the people themselves, right in their own council houses around their council tables.

The government tends to invite them to Toronto. It wines and dines them at the Sutton Place Hotel and asks a few members over to take part in whatever the festivities are. They may sit down for a long discussion. I do not think it would be improper to call it a powwow in which the views of the Indians are put to the executive of the government and the rest of us sit there.

I would like to go into the Indian communities and see what they have to say. It is our responsibility to organize this Legislature in such a way that we can deal with the Indians on their own turf, hear what they have to say and

participate with them in bringing them into the fabric of Canadian nationhood in a fair and equitable way.

The Deputy Speaker: I point out to the member that I gave him a few more minutes of time due to my jumping up and down and distracting him.

Mr. Wildman: Mr. Speaker, I rise to support the resolution brought before the House by the member for Brant-Oxford-Norfolk. I recognize the heritage of the Indian people in the area he represents, with the great leader Joseph Brant, that led to the establishment of the Six Nations community in his area.

I recognize the tremendous heritage and contribution of the Indian peoples to the development of this province. I believe it is necessary for this province, through both the Legislature and the government, to make a straightforward policy statement on Indian rights that is not open to the kind of confusion we have experienced about Indian rights since the proclamation of 1763.

I am a little concerned, however, about some parts of the resolution, which I will explain in a moment. It is our view the Indian peoples are unlike other ethnic and racial groups in this province and country in that their relationship with the crown and the governments of Canada and the provinces, including Ontario, is defined by treaties signed by their ancestors. This makes them a racial and ethnic group quite different from any other racial or ethnic minority in this country.

Those treaty agreements were political agreements negotiated and signed by representatives of sovereign peoples and I think we have to recognize that. The comments made by the member for Brant-Oxford-Norfolk with regard to the difficulties surrounding the idea of a nation within a nation thus caused me some concern.

His suggestion that if this committee is established, one of the ways we as a committee might look at dealing with the land claims and the ongoing claims of the Indian peoples of this province is in regard to things like monetary settlements, such as the Baie James experience in Quebec, also leads to serious concerns.

Obviously, the decisions on what kinds of methods should be used for reaching agreements should be left to negotiation directly between the Indian peoples and the governments involved. I think we all support that. If a decision is made, and accepted by the Indian peoples for monetary compensation, so be it.

However, the experience at Baie James does not bode well for the future in terms of compensation as a method of resolving claims for lands or rights that have been lost.

Also, the portion of the resolution which says that we should be looking at ways "to modernize and update such rights to achieve justice and equity" sounds fine in itself, but I am a little concerned about what the words "modernize" and "update" might mean.

If that means we recognize that many of the treaties originally signed were signed without the full understanding of the people involved, and that some of those treaties were negotiated and written in legalese that a person educated and schooled in the law might have difficulty understanding, much less people who were dealing through interpreters, that is fine. Then we should be looking at what the people at the time understood was meant by the treaties they were signing, and we should therefore recognize those rights.

If, however, it means to modernize and update them in some other sense that might, in fact, lead to the limitation of Indian rights, then I cannot support that proposal.

I hope that all politicians of all parties, whom the member indicated many Indian people have a great deal of distrust for, will be prepared to guarantee that any discussion of Indian rights will not lead to a limitation of those rights without the full and direct consent of the Indian peoples themselves. I believe we must recognize that Indians in this province and throughout Canada must have the opportunity and the resources to develop their own forms of self-government and control their own lives, the lives of their communities and the development of those communities.

I would like to know exactly what is meant by the phrase in the resolution, "full participants in our national community." I am sure the member who introduced the resolution does not intend this to mean integration, but some people might interpret it that way. A few years ago, the federal Liberal government introduced a white paper that dealt with integration, and we know that the Indian peoples across this country reacted to it to such an extent that the government withdrew this white paper and took no action on it.

We cannot in any way advocate an integration that would in some way limit the rights that were extended or recognized at the time of the negotiation of the treaties. It is our responsibility to determine what those treaties mean, what

they meant to the Indian peoples, what they meant to the people who signed them and what they meant to the crown, and then to enforce those rights.

The resolution also recognizes, in a way, the "provincial . . . commitment" to Indian rights. I have grave concerns about that quote. In my view there is not an adequate commitment in any way from this provincial government to the recognition of Indian rights. One only has to look at the letter written by the Attorney General (Mr. McMurtry) of this province to the Minister of Justice in Ottawa, Jean Chrétien, at the time of the negotiations on the Constitution. That letter raised a lot of questions about the recognition of Indian rights and indicated to me that the Ontario provincial government does not have a real commitment to the recognition of those rights.

One also has to look at the history of the enforcement of treaty rights by governments and bureaucrats at both the federal and provincial levels since those treaties were signed. Obviously, that enforcement leaves a lot to be desired when one considers that there have been problems with many issues, such as land claims, hunting and fishing rights and harvesting rights, throughout the history of Indian reserves after they have been established.

I also doubt that governments, whether they be at the federal or the provincial level, really have demonstrated a commitment to Indian rights when we have seen the despicable backing off from the original commitment to constitutional recognition of Indian rights that took place during the negotiations on the Constitution. There was the insertion of a word, "existing," that nobody understands, and then a commitment to a federal-provincial committee to negotiate and determine what Indian rights are and what they mean, a committee which in some way will involve Indian peoples but it does not say who will be involved, how they will be involved and what actual participation will mean to those peoples.

All governments involved in those negotiations backed off, and that does not indicate a commitment to me. Neither does the experience of the Deep Water people in Temagami, the Bear Island band and the court battle they are experiencing, to which the previous speaker referred, indicate a real commitment, in my view, to settle Indian land claims. Nor does the difficulty in achieving reserve status, for a number of Indian communities in the Treaty 9 area that are on what the province views as

crown land, indicate a real commitment in my view.

4:20 p.m.

I mentioned hunting, fishing, trapping and harvesting rights. Obviously, there is a need to rationalize and put an end to the inconsistency in the enforcement of those rights by the Ministry of Natural Resources and our judicial system. We have to determine what is meant by unoccupied land, treaty area and what the various treaties mean. In my view, the Moraviantown incident does not indicate a recognition that this government has to live up to those rights.

We have to get involved in negotiations with Indian band governments on self-regulation in order to deal with the need for conservation. The stalling by the private and public sectors over the resolution of the Grassy Narrows and Whitedog bands' problems does not indicate a commitment to the resolution of these problems.

We have an argument from the provincial government in terms of wild rice. They do not want to extend the five-year moratorium in order to nurture that industry and ensure that the Indian bands of the area benefit from wild rice harvesting.

In our view, this government must respond to and deal with the problems of Indian rights, not just in hunting, fishing and land claims, but also in terms of taxation exemptions and social, educational and health problems. We believe a committee of this Legislature would be very timely, considering future discussions with regard to the Constitution on those rights. For that reason, I will support this resolution.

Hon. Mr. Pope: Mr. Speaker, I rise to discuss these matters with the members of the House. I have been the Minister of Natural Resources for one year and therefore have no real experience in the background of the issues and the frustrations that are being experienced by the native people of our province and the members of this House. However, having been involved for approximately a year, I have some ideas to offer.

First, I would like to say that the estimates of the Ministry of Natural Resources are now in progress. The member for Halton-Burlington (Mr. J. A. Reed) has given notice that a couple of issues referred to by the honourable member who has moved this resolution will be discussed and more detail will be forthcoming with respect to the current status of a number of these issues.

I look forward to that opportunity. I hope those members of the Legislature who are so inclined will come to those estimates and engage in this kind of discussion.

Mr. Laughren: Tonight is a good night to come.

Hon. Mr. Pope: Tonight would be an excellent night because my friend the member for Nickel Belt (Mr. Laughren) will be giving a scathing indictment—

Mr. Laughren: Fully justified.

Hon. Mr. Pope: Fully justified—of the ministry and the minister.

Based on his experience, the member has skillfully and accurately put his finger on one of the issues confronting us that is very difficult to sort through from my point of view.

As I understand it, the native people have indicated they feel they are a nation within a nation with a right to self-determination, to hunt and fish as they have in the past, to harvest wild rice and to control their own destiny with their own form of government, policing and standards. That is what I understand they believe, through documents they have issued.

The honourable member said those rights in some specific forms may not be understood by members of this Legislature or the public in general. He referred to the necessity of accommodating the needs of the Indian people with respect to certain specific activities within a context all of us would understand. I think that is the nub of it.

I will say, and I will refer back to it because it is the most important point I will make, that it is my feeling and it has been directly stated to me that the Indian people do not feel that at this time there should be any discussion or definition of their aboriginal rights or treaty rights by this Legislature or by any other government. They want those discussions and those definitions to take place within the context of the constitutional discussion. I say that to give the member one example and I will quote some other examples later.

Interjection.

Hon. Mr. Pope: I am sorry, but just hear me out. I wanted a discussion and a definition of the aboriginal and treaty rights to fish, to be involved in, or a part of, the memorandum of understanding where we discuss amendments to the Ontario regulations, under the Fisheries Act of Canada and the Game and Fish Act of Ontario. I thought it was imperative to have that kind of understanding between the governments and

the native peoples before we could even accommodate the changes in the regulations and in the laws of the province.

I was told they were not prepared to have that discussion, that such discussion should take place at the constitutional conference, that they themselves would put forward the definition they wished to have of their existing rights, and in that form the issue could be debated by various government representatives. I will refer to a letter that was sent to the Premier, which I think supports that interpretation. It was sent by the chiefs of Ontario.

The honourable member quite rightly has raised a number of very important issues. The most important, on which I agree with him, is that there are a number of economic and social problems in the Indian community we have an obligation to address. We have an obligation to address them through direct action and through negotiation with the individual bands, their chiefs and the various organizations that are a part of the structure of our native peoples' organizations in the province. That is what we are attempting to do in a number of forms, which I will review with the member.

First of all, with respect to the Temagami area, the Bear Island claim, the member is probably aware that the court case is about to commence, that preliminary motions are pending before the Supreme Court of Ontario. He is probably also aware that about six weeks ago we appointed the former Bishop of Moosonee, the Right Reverend James Watton, and the former Provincial Secretary for Resources Development, the Honourable René Brunelle, as negotiators for the province. Together with Mr. Justice Hartt of the Indian Commission of Ontario, they have been up to the Bear Island community and have commenced negotiations on the claim within certain guidelines the province has given them.

It is my feeling that these gentlemen understand the government processes, and Bishop Watton, in particular, understands the social and economic problems of the Indian communities from his work as Bishop of Moosonee on both sides of James Bay and Hudson Bay. I do believe there is a serious effort under way that I hope will lead to some settlement.

The issue with respect to fishing rights is not really with respect to their own land. It is with respect to lands adjacent to their reserves.

Mr. Nixon: Crown land.

Hon. Mr. Pope: Right. It depends on the interpretation, but the second part of the point I

was going to make is that there is an outstanding claim on the basis of headland to headland that could have an impact on how the boundaries of the reserve are defined under the Indian Act. However, the negotiations that are going on right now with respect to fishing rights for the native people of the province are not confined to reserve lands or to the waters contained between headlands, but rather deal with the whole prospect of trying to allocate fish resources in the province, to try to help the economic and social wellbeing of the Indian communities in the way the member has referred to.

We are past the stage of putting generalized proposals to each other. We are now at the stage of looking at quotas, standards of conservation, and practices to be adhered to by the native people and by the rest of us in the province with respect to fishing. We are at the stage of discussing specifics of policing this mechanism both on reserve and off reserve both for native people and for white people.

We are at the stage right now of discussing how we can accommodate an expansion of commercial licences, which the native peoples have for years obtained from the government of Ontario, to have an economic livelihood. Right now all these matters are being discussed in detail.

I know a couple of chiefs have said that it is a gimmick. They were arguing with their own negotiator, Mr. Charney, at a meeting of the chiefs of Ontario. Mr. Charney very clearly took the position, as their negotiator, that these were serious negotiations, that it was not a gimmick, that he saw some constructive results coming from these negotiations. I happen to agree with him.

4:30 p.m.

The James Bay agreement, as my colleague has so properly pointed out, has not been a success. It is now in financial difficulty, and the conflict resolution method that was set up has been a failure in the eyes not only of the federal government but of the Quebec government and the Indian people. They are now looking for alternatives. He is quite right that mere compensation and structuring of trust arrangements will not help.

The member also referred to the letter of the Attorney General. My interpretation of that letter was that the Attorney General was saying we could not operate with vague rights but had to have a definition of those rights; otherwise, any kind of interpretation would be possible. I hope that definition will result from the consti-

tutional discussion. I would have liked to have had a clearer discussion with the native people with respect to those rights in the fishing negotiations but, as I said, they rejected that.

The Grassy Narrows issue, I agree, is one that has gone on far too long.

The Deputy Speaker: One minute.

Hon. Mr. Pope: With one final financial issue to be settled, it is my feeling that the remaining elements can fall into place. That is the present interpretation of a number of people on behalf of all parties.

I had a lot more I wanted to say about the structures of the government that deal with the day-to-day problems of the Indian people, but I will conclude by reading from a two-page letter from the chiefs of Ontario addressed to the Premier, signed by Grand Chief John Kelly of Treaty 3, Chief Wally McKay of Treaty 9, Patrick Madahbee of the Union of Ontario Indians, and Gordon Peters, president of the Association of Iroquois and Allied Indians.

"We would like to express our appreciation for the opportunity that we had to meet with you and your ministers on May 25 to continue our constitutional discussions. In view of the pressure of your other duties, your willingness to give serious consideration to our proposals was a very positive sign of the progress we can make together.

"We are pleased particularly with your commitment not to take a constitutional position before discussing it beforehand with us. It was important to be able to inform you directly about our national strategy. We trust you now understand better why it is necessary for the Indian leaders to hold preliminary discussions with the federal government to clarify the nature of its trustee responsibilities and constitutional obligations to Indian people. We will undertake to keep you fully informed about how these discussions proceed.

"We thank you for your commitment to refrain from taking legislative or other action which would affect our rights without our consent. We look forward to the opportunity to inform you more clearly about the kind of Indian government which our nation feels will make us truly part of Canada."

That clearly indicates to me that they want no action taken until they have sorted things out with the federal government in relation to the constitutional discussion.

I offer the honourable member this: I agree with him that we should be visiting the Indian leaders of the province and discussing these

issues with them. I had discussions with the member for Nickel Belt this morning with respect to a trip, and part of that trip will include direct contact by opposition members of the Legislature with chiefs and other representatives of the Indian people of Ontario. We will have time for a full discussion in that regard.

The Deputy Speaker: Due to the relevance of the letter, I allowed the minister an extra couple of minutes.

Mr. McGuigan: Mr. Speaker, I am pleased to take part in this private members' hour in support of the motion of the member for Brant-Oxford-Norfolk. The honourable member is one of the most knowledgeable people in this House on this matter, as has already been recognized, because he has the Six Nations reserve in his riding. I believe they have recognized his concern by making him a chief and taking him into the brotherhood. I remind members it is not something that is lightly done. Very few members in this House can boast that. I suspect he is the only one.

One of the great strengths of the British government when they extended their empire in former days—I realize that “empire” is not the most popular word today—lay in their policy of giving full rights of citizenship to the people over whom they claimed sovereignty.

The fall of the Roman empire is often blamed upon a lack of moral standards: they became decadent as they became powerful. Books have been written upon the fall of that empire. No doubt that was a factor. Some historians blame the fall of their empire on their failure to obtain the co-operation and respect of the people over whom they exercised control; they failed to grant full citizenship to those people.

The members may recall that some 2,000 years ago, the Hebrew couple Joseph and Mary were on their way to the annual registration as subject people. They were going forward, as they did each year, to register as aliens and to pay their taxes. When our Lord was brought before Pilate, Jesus was turned over to the mob because he did not have Roman citizenship. Pilate saw no wrong with the man, but he washed his hands of him because he did not have citizenship.

The British, while they may not have been perfect masters, did in most cases grant rights and privileges to conquered people.

We see another manifestation in the fact that we in Canada do not practise the melting-pot theory as they do in the United States. In Canada, we believe in the richness of our

diversity. In some ways it has perhaps made Canada more difficult to govern, because we retain so many of our different roots in our ethnic, national, religious and cultural background. Nevertheless, that makes a people who cannot be stampeded in any one particular direction. We see the results of this in the world today in some of the great conflicts going on where people of one mind were stampeded into taking some precipitate action.

My contact with the Indians prior to becoming a member was as an employer of Indian people in the harvesting of fruit crops. During that time I gained a great respect for these people as warm and wonderful people. Their beliefs, their religion, their way of life, offer a way of life that makes us question our inherited European way of life.

When I look around the farm lands of southwestern Ontario, particularly in the past three or four years when we have had extremes of rainfall, I see a farming system that cannot be sustained. The erosion of our soils in southwestern Ontario is nothing short of a disaster, and the government is beginning to stir itself and take some interest. But the Indian people, by their very culture, by their religion and by their attitudes, preserved the soil, the water, the fish and the animals upon which they depended. Their culture recognizes these things, and we could learn from them.

I do not pretend to know the answers to our so-called Indian problem. I do know that in Canada and in Ontario we are building to a tragedy with our Indian people.

Two years ago, I attended the Calgary Stampede. Of course, that is outside Ontario, but I think the problem is the same; as a farmer, I believe I have a keen eye in observing plants and people. The Indian kids we saw on the streets in Calgary and in the Indian encampments on the grounds were handsome and bright, and their faces were full of hope. But as one observed these people as they got older—the teenagers, the adults and then the older people—one could see on their faces expressions ranging from hopelessness to downright hostility.

One can see it on the streets of Winnipeg if one visits that city. One can see it right here in Toronto as well. I see it every day when I walk back to my apartment on Yonge Street, perhaps one of the toughest areas in town. One can see this problem, and it makes one want to cry.

I do not know the answers, but I do question the practice of patronizing the Indians by looking on them as one per cent of the population to

be wine and dine according to the situation, as my friend has said, and then mostly ignored.

If we need to deal with them firmly, and we have to deal with them firmly, okay, let us do it in their own interest. We should not shrink from doing it. But we should always deal with them fairly and honestly. I do not believe we have done that in the past.

4:40 p.m.

The Moravian Indian Reserve is in my riding. The great chief Te-cum-seh—I say that in the Indian fashion, because I am told the Indian language is made up of single syllables; it is only by our European way of speaking that we changed that to Tecumseh—Te-cum-seh was one of the great politicians of the world, one of the greatest it has ever known.

Mr. Nixon: Was he a Liberal?

Mr. McGuigan: I cannot verify that fact.

Mr. Wildman: He was a great general as well as a great politician.

Mr. McGuigan: Really, if one studies the man, he was a greater politician because he united the Indian people all over Ontario and all over a great deal of the United States, going down the Ohio Valley and covering a huge territory. He was one of the first men in the history of the Indian nation who was able to unite people. Later on, of course, we know he was the saviour at the battle of Moraviantown in the War of 1812.

In that vein, I go back to the Six Nations Indians. I understand they are the subject of study, because the Six Nations have one of the longest periods of peaceful history with their other Indian brothers of the time of any group of people in the history of this world. We could learn something from that period of history during which they were peaceful with their brothers.

Mr. Nixon: They are good hockey players too.

Mr. McGuigan: That is important today too.

The people on the Moravian reserve believed they had an understanding with the former Minister of Natural Resources that permission would be required before any provincial authorities would go on to the reserve. They had this in writing. I have seen the letters. Shortly after the new minister was sworn into office, some 21 provincial officers made a surprise raid on the reserve to enforce the provincial fishing laws.

Of course, I agree that spawning fish must be preserved. There are pickerel spawning in the

Thames River, and it is one of the largest spawning grounds for the whole of that fishery covering Lake St. Clair and Lake Erie and, I suppose, even going up into Lake Huron to some extent. Fish must be preserved during the spawning period, but surely when we look at the few rights these people have left to them and the few opportunities they have left to them, those rights should be dealt with in a fair and honest way and not by a raiding party.

I can tell members that those people are very deeply hurt. I attended a rally they had this spring to more or less commemorate the event and to bring about public pressure. On listening to those people speak, it was evident that they were not out with their figurative tomahawks to be threatening or warlike; but there is a resolve and determination there that they are going to be dealt with properly.

I have listened to the minister talk about the timing, whether we should go forward now or not. He makes some convincing arguments on his side. But I submit that the resolution of my colleague, if it were supported—and I am sure it will be supported by people on this side of the House—would indicate that the Ontario Legislature is aware of the problems, intends to do something about them and is going to go forward.

Mr. Laughren: Mr. Speaker, I rise in support of the resolution. I believe very firmly that there should be a committee to look into some of the issues outlined in the resolution of the member for Brant-Oxford-Norfolk. There are some others that I would add to that list.

It is always easy in a debate such as this to use high-sounding phrases and flowery language to express one's commitment and concern, but the proof of the pudding is in the eating. That is an old Indian proverb. In that regard, this government is lacking. There has been ample opportunity for the government to show its concern and integrity in this regard. I am not surprised that the government will not support this resolution, as I gather it does not intend to do. It does not surprise me in the least.

One way of measuring a political party's commitment is by what it is willing to put in writing and entrench as its policy. I would like to read into the record the policy of this party as passed at convention. I will not include the "whereases"—in most cases they are obvious—but the resolution itself:

"Be it resolved that the Ontario government should recognize and respect the Indians' aborig-

inal and treaty rights. These rights include but are not limited to the following:

"The right to sufficient land to maintain their people, their descendants and their culture without restraint;

"The right to hunt, fish, trap and harvest without interference;

"The right to compensation for forests and mineral resources taken by non-Indians from reserve lands;

"The right to be exempt from all forms of taxation;

"The right to govern themselves according to their own forms of self-government;

"The right to receive sufficient resources to develop economically and socially according to the wishes of each band;

"The right to establish and control their own schools and educational programs;

"The right to design and administer their own health and social service programs;

"The right to establish their own rules respecting membership in their bands and respecting order on their reserves and to police themselves through band constables;

"The right to safeguard all Indian sacred places and to practise their own religions, cultures and languages;

"The right to be fully involved in the process of revising the Canadian Constitution;

"The right to be fully consulted and involved in any changes in provincial or federal legislation, regulations and programs which affect Indian peoples.

"Be it further resolved that in order to redress the injustice of the past and to demonstrate respect for these aboriginal rights, the Ontario government should immediately:

"Negotiate settlements for any outstanding Indian claims for land and hunting and fishing rights;

"Provide sufficient resources to enable the Indian peoples to administer their own educational, health, social services and police programs; and

"Recognize the right of the Indian peoples to exclusively harvest wild rice throughout northern Ontario, to be represented on the control boards which regulate the water levels in the lake systems where wild rice grows, to have stabilized water levels at a level which maximizes the production of wild rice in these lakes, and to be provided with sufficient resources to enable these Indians to establish a fully integrated wild rice industry, including the harvesting, processing and marketing of wild rice."

This is a policy of this party primarily because of the efforts of the member for Algoma, who has done an enormous amount of work in all sorts of areas that affect Indian people in Ontario.

There is a great deal that the Ontario government can do. In the past five years or so, literally millions of dollars have been poured into the agriculture and wild rice industries in Saskatchewan and Manitoba. I can only let members draw their own conclusions as to whether that is because there were New Democratic Party governments in those two provinces when most of that occurred.

A great deal has been put into those two provinces, and, quite frankly, the federal government put a lot of that money in. I do not have the breakdown of how much, but certainly the approach of those provinces towards working out agreements with the federal government has been different from that of the Ontario government.

There is an enormous potential in this province to do so much more than we have already done. It is always fine to stand up and say the right things, but it is carrying through and making commitments and following them up that really counts. There is no better example of that than the five-year wild rice moratorium imposed by the Premier in 1978. When he imposed that moratorium, he was quite specific. He said:

"Ontario will extend its efforts to assist Indian licensees to develop appropriate technology and to increase utilization of available crops with the primary objective of establishing an economic base for the involved Indian community."

That is what the Premier said. Since that moratorium was secured, the province has done precious little to encourage the wild rice industry on behalf of our Indian people. I am pleased the Ministry of Natural Resources estimates are on right now, because that will give us an opportunity to get into a good debate on the subject with the Minister of Natural Resources.

4:50 p.m.

The Acting Speaker (Mr. Cousens): The member has about 20 seconds left.

Mr. Laughren: No kidding? Time really flies.

I encourage members to support this resolution. We need to take a look at the wild rice question, the hunting and fishing issues, taxation and, of course, jurisdictional disputes,

which are forever coming up on matters dealing with Indians in Ontario and elsewhere.

I encourage members, particularly on the government side, to put their money where their mouth is, to support this resolution and get a committee under way so that we can really examine all the problems which the ministers say they have on a number of these issues.

The Acting Speaker: The next order?

Mr. Nixon: On a point of order: Mr. Speaker indicated before he left that he would grant me a few moments to sum up the resolution. He said that. Does anybody recall that?

Mr. Wildman: Two minutes, I thought he said.

Mr. Nixon: Then I would like to use them if I might.

The Acting Speaker: Is there unanimous agreement that this be allowed?

Agreed to.

Mr. Nixon: Mr. Speaker, I just want to bring to your attention that I hold in my hand the report on the civil rights and liberties of Indians in Ontario prepared by the select committee on Indian affairs, which was chaired by the Honourable W. A. Goodfellow, and presented on March 29, 1954. So there is precedent for the resolution.

I want to thank the members for supporting the resolution. I want to indicate that I am honoured, not to be an Indian chief but to have been granted an Indian name; they have their own chiefs, and they look after the situation extremely well.

I also want to report that there is confidence in the Indian community among the members who talked to me, particularly the group headed by Mr. Justice Hartt; I know they appreciate having had a chance to speak with the Premier.

Regarding the letter read by the minister indicating, according to his interpretation, that the Indians do not want us to do any review of this until the constitutional matter is settled, I simply say that is not the way I interpret the words. The quote that got to me was their appreciation that the Premier was not going to take a constitutional position before discussing it with the Indian community.

In that regard I believe that we, as members of the Legislature, have a responsibility similar to the Premier's to speak with the Indians, which we certainly shall do as individuals as well as collectively as a committee, before we move towards a constitutional position.

LEGISLATIVE ASSEMBLY AMENDMENT ACT

Mr. Breagh moved second reading of Bill 106, An Act to amend the Legislative Assembly Act.

Mr. Breagh: Mr. Speaker, in trying to put together a ballot item for this afternoon I specifically chose to put before the House a bill.

The Acting Speaker (Mr. Cousens): The member will excuse the chair for not indicating previously that he has 20 minutes to make his presentation. If he wishes to apportion any amount later for a windup, he may do so.

Mr. Breagh: I would like to retain about five minutes at the end for wrapup.

In putting forward this bill I recognize that private bills in this afternoon period have had a difficult time, perhaps for a variety of reasons. In putting forward this bill I sought to find a matter that totally avoids a partisan political process and attempts to put together a combination of things in a matter that ought to be dealt with by the assembly.

The bill I have put forward is one in which there is some urgency and in which there should be an easy consensus. In other words, I tried to find a topic that is appropriate for the Legislature to discuss and to legislate, one that is not meant to be wildly controversial.

My bill deals rather straightforwardly with a couple of basic principles and is itself, of course, a rather straightforward bill. It deals with the obvious fact of members themselves, or other persons, carrying firearms in this assembly.

In this assembly we have not gone very far in recognizing the problems of providing a secure environment for the members and for the public at large. To my knowledge, we have not before dealt in a public way with the basic problem of a parliament dealing with security.

This House is not a warehouse. It is not an office building. It is a parliament. In other jurisdictions, there have been papers written, discussions held and meetings put forward where the members get an opportunity to participate in the design of security matters. We have not done so here, and I want to provide an opportunity for the members to do that.

At first blush, I suppose some members might say: "This is a rather unusual bill before the House this afternoon. We have not had any problems in that regard." I want to point out that the time to discuss these matters is before one has great difficulties.

A short while ago, we had a tragic shooting

down the street at the Osgoode Hall law courts. We have had similar situations in smaller communities. In Windsor, a labour leader was shot and killed by someone he had worked very hard for. Whether or not we choose to deal with the matter, the matter of security is before us.

I thought this afternoon I would try out the security in the building. I found it was not difficult to go through the gallery on the east side, the public gallery, carrying a small concealed weapon. Almost any member of the public could do it, because there are no metal detectors installed around the doors.

I went down through the press gallery offices. There was no difficulty. I was not even met by anybody. I walked through the press gallery and stood behind the Speaker's chair for about 10 minutes, which is about as far as I have seen any member of the public improperly enter the chamber. I was able to walk without any problem down the front bench before the Premier (Mr. Davis) and had a little chat with the Premier on the way over. I took my seat.

This rather small, insignificant handgun does not seem to be the kind that would do much damage, but it is precisely the size and shape of weapon that is used in most crimes and that has been used for assassination attempts in the United States. It has been on my desk all afternoon and no one has bothered to mention it, look at it or attempt to detect it, save a few colleagues around me. It is quite possible to do that.

I want to touch briefly on some of the matters I think are the underlying principle. I want the bill to receive some attention; I want it to go to committee, and I want the members to have an opportunity to discuss security, specifically security in the Legislative Building.

Security in a parliament, it seems to me, is much different from security elsewhere in that the public does have a right to access to this building. The whole parliamentary process is built upon that right. The members here receive the public regularly. The public has a right to see the parliament in session, to attend committees, to appear there as witnesses and to do so on a fairly large scale. That is fundamental to the parliamentary process.

Different parliaments have handled this in a different way, but I want to put some matters before the members. I will be interested to note the members who vote against this bill. I deliberately worded the bill in a simple form. It is not meant to confuse or draw in a whole range of issues. It is a simple piece of legislation and has

only one operative clause. This is a bill where one is either for or agin it. When it goes to committee, there may be an opportunity to put forward different ideas.

One of the underlying principles is to get at the idea of parliamentary security, which I think is important. The jurisdiction here ought not to be in the hands of police officers. Because it is first and foremost a parliament, it ought to be under the jurisdiction of the Speaker. That means each time there is a security problem, the first response will be parliamentary.

One may well turn around to somebody who offers advice and say, "For security reasons, one should do this, this and this." But I maintain that the person in control ought not to be someone whose first concern is a policing action; it ought to be a parliamentary concern. It seems logical then that the Sergeant at Arms would be the person designated to be the person I could turn to.

On several occasions when there have been disturbances here and security forces have been used, I have been unable to find out exactly who was in charge. They are certainly not agents of this chamber. They are not people I am familiar with. Unfortunately, they are not people who know the members either.

Several members have spoken to me about security matters, saying they went to a person who appeared to be in charge of the security operation. That person did not know who they were, and the members were unable to find out exactly who was in charge. That is the worst kind of security, one that does not appear to have a leader. If there is something wrong, there is no way to rectify it.

5 p.m.

I think it follows logically that the people who work on security matters around the Legislature here are people who ought to be welltrained in the facts of a parliament, the right of the citizens to have access. That ought to be an integrated part of it. I would not hold security officers here at fault for the state of the current art, because it is not their responsibility to train themselves. It is the responsibility of the House, the Speaker and a great many other people around here to do just that. I think there ought to be some clear distinctions made to security staff about the nature of the security operation.

That may well be a simple reflection. If we do put metal detectors around the doors to the public galleries, which seems to me now to be technologically possible and a very reasonable way to proceed, it should be done in a way that

does not impede the public's right to come into the gallery. It is not a search and seize operation. We should take advantage of modern technology to provide some security measure that does not block the public's right of access to their parliament.

If we do identify building personnel, we must recognize this is not a police station. It is not necessary to wear a mugshot on one's chest, and for everybody to have that kind of security. There are other ways security forces use to identify who regularly works in a building or should have access to it. It can be done in a very quiet way that is obvious to the people who are trained to recognize that identification process, but does not impede anyone's progress or embarrass anyone.

If we are going to have a public entrance and a private entrance we should work out the mechanics of that in such a way that members themselves are reasonably well satisfied that their constituents can come and see them without being hassled by anyone. If there are problems anywhere in the building there should be a security alarm system so that security staff can readily identify where the problem is and where assistance is needed.

I want to come back to a point I mentioned briefly earlier. I believe very strongly that this is not an appropriate place for police action. It is inappropriate to use police officers, who are not trained in what a parliament is all about, inside parliament itself. That should only happen at the request of the Sergeant at Arms—that is, strictly speaking, when the Speaker asks for some assistance.

If there are Metropolitan Toronto Police officers or Ontario Provincial Police officers, as I understand there are every day surrounding the Premier, and some security is provided—and logically they would be OPP officers—they should come into the chamber only at the request of the Speaker to conduct a specific piece of business. If they function anywhere around parliament, they should do so with the knowledge of the Speaker.

I think that is an important matter. This is not like a football stadium where a riot is quelled by the riot squad. That is totally inappropriate for this kind of operation. This is, after all, parliament, first and foremost. The members here have some rights and so do their constituents.

I believe the bill before members now is relatively simple in its current form. If they choose to, they may want to send it out to committee where members can have some say

on other aspects that might come from it. I do think this is not the state Legislature of Kentucky where a bill just the opposite to this one was recently passed. It said everybody should have a right to carry handguns in the chamber, and I am told nobody has been shot in there since 1936.

I want to get to two basic points, and save a little bit of time to conclude my remarks. This is supposed to be an hour, a portion of our legislative week, when private members can put forward legislation. Since the inception of that we have had two bills pass, the last being in 1980. It seems to me that is an untenable process to continue.

Further, it seems to me that members have before them this afternoon a bill that is not complicated at all. It is simple in its form. It has a couple of clear intentions, which I have tried to state this afternoon. This is one that members are either going to be for or against. I suggest that party lines will become irrelevant. I hope no one has the whips on this afternoon. Frankly, I hope that members have not felt the need to caucus about the matter.

I put it in the simplest form possible. I am anxious to hear debate on the matter this afternoon. I am particularly anxious to hear members address themselves to two principles: First, according to our standing orders, it is the right of members to put forward private bills, and the right of other members to comment on those and to vote freely upon them. Second, I want to hear members address themselves to the problems of two conflicting principles in a parliament where we are in theory open to the public and anxious to remain so, as opposed to a growing need almost all over the world, unfortunately, for increased security in any kind of public building.

Mr. Robinson: I am very pleased to participate in the debate this afternoon. I must admit I have been waiting for a number of days to hear exactly what the member for Oshawa would have to say about Bill 106. Personally I am a little disappointed, though not without some recognition of his method of introducing second reading and making his point this afternoon. I think I know him well enough to realize his weapon is not a real one, or if it were real, at least it would not be operational. I know the member for Port Arthur (Mr. Foulds) looked nervously at it before taking his seat as the member was spinning it around on his finger.

Mr. Foulds: For a guy who sat beside Morty

Shulman, who waved a machine gun around, that gun is not going to make me tense up.

Mr. Robinson: I guess the deputy leader of the New Democratic Party is expressing a feeling of greater security than he has had for some time. None the less, it does bring three or four things into rather clear focus.

I would like to speak briefly to the actual bill, which the member for Oshawa did not do at great length. It is indeed simple, though not necessarily simplistic. It does not have a conflict of ideas in it and he may well ask who might stand in his place to oppose it.

However, I would draw to the attention of the assembly that it does add a clause to subsection 45(1) of the Legislative Assembly Act which sets out the rules for the security and legal operation of this House. It also sets out that the House is a court of record for summarily inquiring into and punishing breaches of either protocol or security.

As it stands, the bill indicates that bringing in or possessing a firearm within the chamber, including the public gallery, is prohibited without the authorization of the Speaker. One has to go back to the act to realize it says that one would be prohibited from carrying a firearm without the Speaker's permission.

If someone had a nefarious intent and was set on bringing a firearm into this assembly, either to cause a statement to be made about the democratic process or to carry out some personal vendetta against an individual member, would it be likely he would be cognizant of clause 45(1)(12) and would indeed seek the Speaker's permission?

That aside—and I am afraid that is rather a large aside to accept—there are three basic types of individuals who would bring firearms or cause some other act of violence in this assembly.

Mr. Foulds: Yep, the Tories, Liberals and New Democrats.

Mr. Robinson: Those three obvious groups aside, I would suggest three groups and ask members to consider them. They would be the disgruntled, the deranged or the determined.

Mr. Foulds: Alliteration.

Mr. Robinson: Not intended to be so.

We might be able to secure ourselves against the first two groups, the disgruntled and the deranged. They are the people who do not have professional intent to commit an act of violence.

A number of weeks ago there was a meeting of senior representatives of each of the three

caucuses, the senior security people in charge of this building and the Ontario Provincial Police. I am sure if the member for Oshawa checks he will find his caucus was not particularly supportive of major changes in the security system as it relates to the public areas of this building. Hand in hand with that, he comes before us today for second reading of a bill which encourages changes in security. I would only suggest that he start by checking at home.

There were major changes to be made, subtle changes that reflect the economic era in which we live and the state of the art in the field of electronic surveillance equipment, such as metal detectors, so we do not have search and seizure as the member referred to it. His caucus was not particularly supportive even of moving in an investigative way to take a look at some of those options.

But dealing with the bill itself—

5:10 p.m.

Mr. Philip: How about that? It is private members' hour.

Mr. Robinson: I am not suggesting to the member for Etobicoke that it is not private members' hour. I am just asking him to consider what else is being said by members of his own caucus.

It is also interesting to note in the context of firearms themselves that any legislative attempt or any legislative change we make here is still superseded by the provisions of the Canadian Criminal Code. If they are not going to check with the Speaker before they come in to shoot somebody, it is highly unlikely they are going to check with the Criminal Code either.

We have a strong attitude reflected in the Criminal Code in this country towards firearms and, if we are talking about firearms as we are in Bill 106, I will provide for the House the definition of a firearm in the code. A firearm means, "any barrelled weapon from which any shot, bullet or other missile can be discharged that is capable of causing serious bodily injury or death to a person and includes any frame or receiver of any such barrelled weapon and anything that can be adapted for use as a firearm."

That is what a firearm is and I hope I read that to the members' satisfaction. It is good to know the framework so we know what we are speaking about and I am sure all members want to know exactly what we are speaking about.

There are five consecutive sections in the Criminal Code dealing with various specific

offences for carrying firearms. The one that perhaps is most appropriate, or comes into the greatest play in this debate, is section 86. I will also beg the indulgence of the members opposite to read that section into the record. It is very brief. Section 86 of the Criminal Code states, "Everyone who, without lawful excuse, has a weapon in his possession while he is attending or is on his way to attend a public meeting is guilty of an offence punishable on summary conviction." That is the first law and anything we do to amend the Legislative Assembly Act of Ontario is only secondary to that.

Going further, one recognizes—at least I think it is recognized—that the greatest way to encourage a lack of security is to go around boasting about how one has a lack of security. I certainly give credit to the member for Oshawa because he is most anxious for firearm security within this chamber. It is also interesting to note that historically, and to the best of my research, at least in the last two weeks, a member of an opposition in a Legislative Assembly has never been the target of an attack. So I am grateful the member for Oshawa is so concerned for the safety of us on this side of the House.

When one is dealing with a subject of this magnitude one has to recognize as well that the basic principle in a Parliament is free speech. Weapons of any sort, demonstrations of any sort, only serve to intimidate free speech. Somewhere though in the 1980s a distinction has to be drawn between the right to free speech and the attitude of society as a whole. If society is prepared to accept that violent attack is a method of speech, then I think it is only prudent we be prepared as an assembly to take steps to counteract that—at least, as I indicated earlier, in the case of people who are disgruntled or deranged.

If we are not prepared to do that, and if we are prepared to accept without any thought or regard that the system must continue as it is now, we are indeed inviting folly. I think it is an equal invitation to folly to do as the member for Oshawa did in coming in here and brandishing his pistol in the best style of the old west. I do not know if he has his cowboy boots on today because I cannot see over that far. Perhaps he could lean back a bit further. His quick draw and his fancy revolver tricks only serve to highlight that we are vulnerable in this assembly and that we should take subtle steps to bring that situation more under control.

Perhaps one of the areas we should look to first, as we are doing on a regular basis, is the

standing committee on members' services which I chair at this time, in conjunction with the Sergeant at Arms who has the first line responsibility for security in this facility.

As the member for Oshawa rightly pointed out, not to support this bill would be foolish. For that reason I lend my support to second reading of Bill 106.

Mr. Haggerty: Mr. Speaker, I wish to speak on Bill 106, An Act to amend the Legislative Assembly Act, and to follow some of the comments of the member for Oshawa who introduced the bill. He says it is not controversial but the intent may be controversial.

Two or three years ago I had the opportunity of visiting the United States—Washington in particular—along with the member for Oshawa and other members of the standing committee on procedural affairs. I noticed when I walked into any of the government buildings there was a guard, well armed with a gun, handcuffs and billy. We had to open our briefcases before we went into any building. In the tunnels and corridors connecting with other buildings within the White House complex the reception we met was always, "Where are you going; how are you going to get there; will you open your briefcase."

It puzzled me to see that, knowing what takes place in the Ontario Legislature. The public can walk through this building freely. To be challenged by an armed guard might cause one to say: "I am a taxpayer. I have some rights and privileges." Our society has not been built along the same lines as that of the United States where, regrettably, they have had a number of violent acts against elected officials.

If one arms oneself, surely the person walking into the building will feel resentment and think, "Should I not carry something to protect myself?" Policing in Ontario is a matter of security, and I understand that in England the constable, the bobby, does not carry a gun. He just carries a billy to get one's attention. Only the special police carry guns.

We are most fortunate to live in Canada. I take pride in the fact that we are a well-disciplined society of people who have respect for government and government members. I would not want to see that situation deteriorate. I have no fear because I do not think it will. We have ways of educating our society to appreciate that there are other ways and means of obtaining access to an elected official if one has a grievance.

I remember meeting a woman from England

who was a guest at a Women's Institute meeting in the township of Wainfleet. She was amazed to see that elected people came to functions such as that, as I am sure we all do. She was at a loss for words when she saw there was even a federal member there to speak to the gathering and to express gratitude for the work they do.

The point is that in Ontario and throughout Canada the public has more access to elected members than they do to some of the aldermen or members of their local school board. Committees are open to the public here so that they may express their opinions and views. I do not think I would want to have someone stand there with a gun. That would be like saying, "We do not want you here."

One does not find what we have here in many other countries. People who want to be free to protest on the front steps of this Parliament and to convey their messages to members of the Ontario Legislature. We can all participate. That is what one can call a free society, a society where one can express an opinion and viewpoint without facing the threat of someone carrying a gun. I think it is important that we maintain a style of life in Canada in which we do not have to be worried about that type of threat.

5:20 p.m.

I know other members have received personal threats, as I have. At different times I have had calls in the wee hours of the morning making a personal threat that, "if you do not do this or that, we are going to get you." I have talked to other members and they have had that type of personal threat.

I was a little bit astonished here just a week or so ago, after May 13 when the budget speech was delivered in the House. I think it was the next day when I walked out and, for the first time in a long time, I saw an Ontario Provincial Police officer in this building. There the officer stood with a gun, and I said, "What are you doing here with that gun?" She said, "We may be in here more often."

I hope not. There are other ways of applying security here in this building. It is the same as when you walk into an airport to enter an aircraft. They have scanning devices. There is no reason why there cannot be a detector someplace in here without asking somebody to open his briefcase or leave his camera outside.

I have some strong reservations about whether I should be supporting this bill. There is no doubt about it, we do not live in a risk-free society, but I think there are measures that can

be improved on and better ways of providing additional security in the building.

My office is open. As my good friend Ellis Morningstar used to say, "My door is always open," and I think that is a good policy for any politician to have. As long as one has that view I think it cuts down any possibility there may be some resentment towards elected officials.

I have difficulty with the fact the resolution says, "The purpose of the bill is to prevent persons from bringing firearms into the chamber." I hope no one comes into this building with a firearm without the Speaker's authorization, so I do not know quite what he means by that. Whom are we going to let into this building with arms of some type?

Mr. Robinson: We already have permission to have it.

Mr. Haggerty: I understand there is an OPP officer down in the basement who, if he is called upon, is the only one who carries a loaded weapon. There are other people in the other government buildings. I think there are persons who carry arms over in the Ferguson block because of the cash that is handled through the registration of licence fees and so on, but there are also persons around this building. We have quick access to the local police and the OPP here. I do not think there is any need to set out the rule that we should have somebody come into this chamber carrying a weapon. I feel this is only confrontation; it will only encourage people to come in here armed.

There was an incident that took place in one of the courthouses on University Avenue. Of course, if the security guard had been paying attention I do not think that person would have gotten into the courtroom. There is always the possibility it could happen here, but there could be as many persons as one wants in here with arms, and still, if somebody wanted to get at somebody, he is going to get through anyway.

I find it rather difficult to support the member's bill. It may not be controversial to him but I think it would be to the greater number of members.

Mr. Foulds: Mr. Speaker, it is a great pleasure for me to participate in the debate on this private member's bill in this private members' hour. It has been some time since I have been able to participate in this capacity, and it is indeed a very great pleasure. I am talking this way because I have to make a note of something I am writing here so I do not forget it during the course of my remarks. Thank you.

First of all, the bill makes sense to me. It is a simple, direct bill. Anyone with the idea that any member who votes against this bill therefore votes for the principle of allowing firearms in this chamber has got to be out of his mind.

I am glad my good friend, both publicly and privately, the member for Oshawa, narrowed the scope of this bill. It would be a travesty and a betrayal of parliamentary tradition if he brought in a clause that banned weapons in the Legislative Assembly. We have every day in this assembly two weapons on prominent display. For those who have little knowledge of medieval warfare, we have not only the verbal barbs we fling across at each other, but the mace that sits on the table. That is a weapon, as well as the sword of the Sergeant at Arms. There is a rumour that the sword of the Sergeant at Arms is not a real sword, that it is only a handle and the scabbard hides nothing. That sounds like a Shakespearean line to me, but is not.

Anyway, I think the principle is very simple. There should not be guns in the Legislature.

Mr. Robinson: That is not what it says. It says there should not be guns without the Speaker's permission.

Mr. Foulds: Then we get to the underlying motives of the member for Oshawa, and those are always difficult to ascertain, as those of us who are his close colleagues will testify. But there are two important principles the member wants to highlight and I would like to highlight.

First, this is private members' hour and this private members' hour has been bastardized by the government party in the last number of years by vetoing or blocking every single opposition bill that has come before this House. The government has seen fit to put a whip on its members when it comes to legislation emanating from this side of the House. The government caucuses on private members' bills and makes a caucus decision on those bills.

I submit that, for a party that pays tribute, at least verbally, to free enterprise, the collective imposition of the government House leader's will on back-benchers is an act they should not accept. Their acceptance thereof will not pave the road to cabinet, because the cabinet members and the back-benchers who have any spine, any guts, any viscera or bone beyond those of a jellyfish, will support the bill of my friend and colleague from Oshawa.

Having made this reasonable appeal, having made this beseeching, prostrate appeal to their reason and sense, I would like now to get to the second principle.

Mr. Robinson: Are you going to speak about the bill?

Mr. Foulds: I will now talk in an inflammatory way about the security of this building. The security of this building is a very delicate matter. Obviously there should not be guns in the chamber, but obviously the people of Ontario should have total access to both this chamber and all its precincts.

I admit that one point made by the member for Scarborough-Ellesmere, although he phrased it badly, has a good deal of sense. That is in regard to the people who occasionally approach legislators with a grievance for whatever reason, real or imagined, and who may be deranged or pretty close to it. Of course, there needs to be some reasonable security both for the employees in this building and for the members.

If I may just digress for a moment, the people who work for us and actually face serious problems are those who have no access to our protection at all. They are the people who work in the constituency offices of the members, who work alone.

5:30 p.m.

I am fortunate in my community in that we have made an arrangement with the local police force. That is a problem we all, as legislators, face quite seriously and I am glad the member for Oshawa brought in a bill that gave us the opportunity to voice those concerns.

I am going to conclude in the minute or two I have left by pointing out clearly the need for this bill. It is not only legal but it has been done, that a gun has been brought into these legislative chambers within my memory. I know to the new boys over there, those one-trippers, I seem to be a guy who is a little long in the tooth, but I happened to be sitting beside my colleague—

Mr. T. P. Reid: That great Socialist.

Mr. Foulds: —the great Socialist and fighter for freedom, the former member for High Park, Dr. Shulman, when Morty brought into this House what was known in those days as a Saturday night special—it amounted to a stripped-down machine gun—waved it around the chamber and, frankly, scared the hell out of everybody, including me. I was sitting beside him at the time.

Mr. T. P. Reid: The Tories on the back benches were sleeping then too.

Mr. Foulds: They woke up. But Dr. Shulman showed in a very dramatic way that it was possible to get such a weapon.

Mr. Ruston: Oh yes, but he used his membership as a way of getting it in.

Mr. Foulds: He used his membership, but it pinpointed the problem and pinpoints the problem my colleague is demonstrating in this bill.

I say that my colleague from Oshawa demonstrates more responsibility and sense, and actually tries to tackle the problem in a way that those who are entrusted with the security of this chamber would have some legal authority to prevent members, visitors and others from bringing guns into this place. I would not support my colleague's bill if he had barred the Sergeant at Arms' sword or had barred the mace lying on the table, because those weapons are of such delicacy and tradition that they are now symbolic.

I want to conclude by saying the main principle of security for this chamber should be to give the public of Ontario complete access to their members and to the legislative processes. Second, there does need to be some minor security against those, as the member for Scarborough-Ellesmere mentioned, who because of a mental quirk or illness could genuinely threaten the safety of an employee or a member.

Third, the private members' hour should surely be a private members' hour. If any bill should be passed on second reading by the private members in this chamber it should be this bill. I urge all members to do so.

Mr. Pollock: Mr. Speaker, I am glad to have this opportunity to make a few comments about Bill 106. It is a bill which has a potential to provide certain additional measures to allow us as members to carry out our work in this chamber. A number of points can be made about this bill. I hope all members give these careful thought before they vote on this item.

On the one hand, if we accept this bill and steps are taken to ensure that firearms can be detected when they are brought into the building, there may come a time when we will be thankful such measures were taken. In the spirit of the events we read about which are taking place around the world, I think that the possibility of an incident involving the use of firearms inside this chamber is quite remote. It can be argued, however, that the possibility, be it one in a million or one in 10 million, does exist and that safeguards are warranted.

I also think that the possibility of danger is less for the members on the other side of the House than those on this side, and those mem-

bers of the opposition probably agree, for different reasons.

Mr. Nixon: Yes, we are smaller targets.

Mr. Pollock: On the other hand, the Legislative Assembly Act provides the Speaker with control over the legislative chamber as well as other sections of the building. The act also says that, "The Speaker shall establish guidelines for the security of the legislative chamber and the other parts of the Legislative Building that are under his control."

In effect then, the Legislative Assembly Act already grants the Speaker the necessary power to provide protection for the members. As far as providing protection goes, any further amendments to the act will not accomplish too much, other than to provide a small amount of reassurance to those members who do see some sort of threat.

There would be one major change if this bill were adopted. If we support this bill, a new clause will be added to subsection 45(1) of the Legislative Assembly Act. This assembly has the powers and jurisdiction under section 46 of the act to investigate and pronounce punishment with regard to matters outlined in subsection 45(1) of the act.

Finally, section 47 deals with the detention of a person by the Sergeant at Arms under the direction of the assembly and the methods by which the person is to be conducted by the Sergeant at Arms to a correctional institution. In addition, a person in this situation would probably also face charges under the Criminal Code.

I do understand, however, that all Ontario laws are being reviewed to make sure that they do not conflict with the new Charter of Rights, and that the Ontario legislation may have to be changed in some cases. I am not sure how these powers of legislation conform to the provisions of the Charter of Rights, but we will soon find out.

As the situation currently stands, this assembly has very extensive powers and the bill before us will add one more situation in which we can use those powers. I certainly do not think those powers have ever been abused, and the adoption of this bill will not change that.

Our work, or anyone's for that matter, can be much better accomplished when we are secure in our working environment. For that reason, I basically support this bill, but I would like to make a few suggestions that this House may be interested in acting upon if we do take this matter further.

I agree that this chamber should be the major item of concern, but if we are talking of potential threats to our physical safety, perhaps some consideration could also be extended to committee rooms where we all spend a considerable period of time.

This very matter was brought up in the Parliament at Westminster, following a disturbance by strangers at a select committee meeting. The question there was whether the Sergeant at Arms could take into custody someone disturbing a standing or select committee just as if it were someone disturbing the House from a public gallery.

The Speaker's ruling, according to the March 26, 1982, edition of the Parliamentary Newsletter was as follows: "I am confident that the House would not wish its other committees to be denied their protection. I, therefore, rule that the power conferred upon the Sergeant at Arms may, if the chairman so directs, be exercised in respect of strangers present at the sittings of select and standing committees within the precincts."

5:40 p.m.

In subsection 45(1) of the Legislative Assembly Act, all points that deal with witnesses, bribes, evidence, warrants and records apply equally to committees and to the assembly. If we are going to take steps to provide additional security for members in this chamber, it may be that we should also apply these provisions to those rooms being used by standing and select committees of the House. Also, if we are going to address seriously this safety issue, it might be preferable to include weapons other than firearms. Firearms may be the most obvious types of weapons we should deal with, but they are certainly not the only ones.

Another point I want to make is that while we can pass laws intended to provide us with more security, the passing of the law itself is insufficient until steps are taken to see that it is enforced. Security measures must also be taken. However, over the years, as I understand it, this House has often endorsed the opinion that we must not take on the appearance of an armed camp. Metal detectors at the entrances, identification cards, more restricted access to the public and other steps have all been discarded for this reason. It looks as if some sort of compromise will have to be found if we hope to prevent any firearm incidents from occurring.

After the events of December 3, 1981, the procedures for gaining access to the Speaker's gallery have been tightened up. With respect to

the public galleries, it would seem that any installation of metal detection equipment would be very conspicuous and would probably present an unfavourable image to any visitors, particularly students, who come here every year. They still have to take their chances with the behaviour occasionally exhibited in the House, but that is altogether a different matter.

I suppose it would be best to find a type of metal detector that is itself easily concealed, so that the visitors do not even notice that security precautions have been taken. I have been informed that in recent years a number of measures have been taken to improve security. In doing so, we have been successful in avoiding the image of an armed camp. I hope that any future steps will be taken with that same principle in mind.

Mr. Nixon: Mr. Speaker, I am a little surprised at the wording of the bill, but I think I know the honourable member, with his usual upside-down backwards sense of humour, is conveying some meaning. As usual with the member, one has to dig pretty deeply for it but perhaps it is there.

I know time is particularly limited for me.

Frankly, I think the security in this building and in this chamber is about right. Our security officers do an excellent job. I sometimes feel a little sympathy for them when they listen to our long speeches—some of them even longer than 10 or 15 minutes, I am told. It is no insult to them that I was quite glad to see the custom of having a fully uniformed Ontario Provincial Police officer in the main rotunda has been resumed. The fact that he is armed, I suppose, is significant but I feel an OPP officer on call in this building is worth while.

Hon. G. W. Taylor: It is a she.

Mr. Nixon: Well, it was a man when I saw him. Maybe the government has transmogrified him; but, anyway, it was a man when I saw him. I am very glad we have a spectrum, a panel, from which to choose. So an OPP officer, male or female, armed or unarmed, suits me. Frankly, I think they look good in their uniforms.

Mr. T. P. Reid: One is and one is not.

Mr. Nixon: Oh, pardon me.

I am also very much in favour of our depending on the Sergeant at Arms, as the person in this chamber responsible under the Speaker's direction, for that purpose.

I simply ask members to recall that when they go to visit their friends in Ottawa they are stopped at the main door. They cannot just

wander around the halls looking for a member; a guard receives permission from the member's office and then takes them there.

Those of us who have been to the Parliament at Westminster know that you have to go through a metal detector, which is very closely controlled. On the other hand, just a few weeks ago one of the ministers of the cabinet was driving out of the underground parking lot and an Irish terrorist shot him dead in his car. So even the very best metal detectors and hoards of police cannot protect elected people if some ninny or some radical activist wants to do some terrible damage.

If you go to visit la Chambre des Députés in Paris, you find that there are rolls of barbed wire around the place, and all the guards are in battle dress with submachine guns slung across their backs. The ultimate is to go to the Knesset in Jerusalem. The whole chamber is in a bubble of bullet-proof glass, and the people in the galleries look at the members and the government as if they are goldfish in a bowl or something like that, fully protected.

My point, Mr. Speaker, is that I am very well satisfied with the procedures taken to protect us, and I do not want to be loaded down with more armed guards, metal detectors and things like that.

Mr. Breagh: Mr. Speaker, I have had an opportunity to listen now to members on all sides debate the bill in front of me. I am a little confused, frankly. It seems to me that I heard one or two speak strongly in favour of some of the ideas that are put forward in the bill and then announce rather grandly that they are going to vote against it. Perhaps that is simply a reflection of the fact that not all members were able to be present in the House for the entire debate, during which they might have picked up on some of those nuances.

Another thing that pleases me is that it appears this bill has at least a chance of becoming the third private member's bill in the history of private members' hour to survive past six o'clock. I would put to all the members present that this in itself is a useful exercise.

I heard several members say that they wanted an opportunity to go to committee and discuss, in what I felt was a fairly rational manner, the security around the building. I also want to say that I heard no member speak against the current security staff. I think we all understand that they are doing the job the best they can, and if there are problems they are not related to those people at all.

What I did hear was what I wanted to hear: that members of this Legislature, like members of all parliaments, I hope, want to retain a parliament that is open, free and allows people to visit the individual members, participate in committee work and see the parliament in action. It would be a tragedy if anything happened to impede or prevent people from doing that.

I am rather pleased that during the course of the debate, however muddled it might have appeared at times, members generally supported the general drift of the bill—the basic, general principle—and that they now want to take it to committee and do some more work on it. That, for me, is sufficient.

I hope all members will take a look at the framework of the bill, which I did attempt to put in the simple form that is printed in Bill 106. I want it in that form so that members who have ideas on security may put them forward freely. It would not be cumbersome and would not add great, onerous expenditures of public funds or further impede the progress of individuals who want to see their parliament in action.

Mr. Speaker, I urge all honourable members to look at Bill 106 and to make it the third, since we have begun private members' bills, to survive past six o'clock.

5:50 p.m.

Mr. J. M. Johnson: Mr. Speaker, I would like to add my support to the member for Oshawa. The main reason I do so is that I am concerned that some day something will happen in this House.

I speak from personal experience. In the last few weeks a tragedy occurred in my riding when an Ontario Provincial Police officer was shot to death. It is something that does not happen in a small community; yet it did happen. We think such a thing will not happen here, yet in a court not too far from this very spot a lawyer was shot to death. It is something that could happen at any time. It is just a matter of time, and the longer we leave it, the greater chance we are taking that someone will be hurt.

I listened to the member for Port Arthur say we have two weapons in the House now, one being the Sergeant at Arms' sword and the other being the mace. I remember in 1976, I think it was, when the former Liberal leader was sitting over here and one of his supporters came in from outside, picked up the mace and it appeared as though he were going to strike him on the head. I am sure the Sergeant at Arms has been

tempted on numerous occasions to draw his weapon.

Mr. Speaker: The member's time has expired.

NATIVE PEOPLES' RIGHTS

The following members having objected by rising, a vote was not taken on resolution 27:

Ashe, Barlow, Birch, Brandt, Cousens, Eaton, Fish, Gordon, Gregory, Harris, Henderson, Hodgson, Johnson, J. M., Jones, Kennedy, Leluk, McCaffrey, McCague, McLean, McNeil, Miller, F. S., Mitchell, Norton, Piché, Pollock, Pope, Ramsay, Robinson, Runciman, Sheppard, Snow, Taylor, G. W., Timbrell, Treleaven, Villeneuve, Watson, Williams—37.

LEGISLATIVE ASSEMBLY AMENDMENT ACT

Mr. Speaker: Mr. Breagh has moved second reading of Bill 106.

Motion agreed to.

Mr. Breagh: I would like to have this bill referred to the procedural affairs committee.

Mr. Speaker: The committee of the whole House?

Mr. Breagh: I believe it is customary for the person responsible for the private member's bill to have the ability to refer it to a committee and I would prefer that it go to the procedural affairs committee.

Mr. Speaker: Pursuant to standing order 64(m), "Notwithstanding standing order 56(c), private members' public bills given second reading shall stand referred to the committee of the whole House, unless referred to a standing or select committee by a majority of the House."

Shall the bill go to committee of the whole House?

Mr. Breagh moves Bill 106 be referred to the procedural affairs committee.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

Motion negatived.

Ordered for committee of the whole House.

BUSINESS OF THE HOUSE

Hon. Mr. Gregory: Mr. Speaker, prior to the recess for dinner, may I indicate to the House the business for the remainder of this week and for next week?

Tonight we will resume debate on second reading of Bill 111. If there is time, we will proceed to Bill 116. This is a change from what was announced earlier.

An hon. member: Cuckoo.

Hon. Mr. Gregory: The cuckoo just spoke.

On Friday will be second reading of Bills 1, 2, 3, 4 and 135 with committee of the whole on those bills and on Bill 125; then, if there is time, second reading and committee of the whole on Bill 105.

On Monday, June 14, in the afternoon will be second reading and committee of the whole on Bills 38 and 124. In the evening will be second reading and committee of the whole on Bills 84, 26 and 27, then we will resume any of the work that might not have been completed on Friday. If there is time and if required, we will continue with Bill 124.

On Tuesday, June 15, in the afternoon and evening will be the motion for interim supply, followed by second reading of Bills 127 and 46.

On Wednesday, June 16, the usual three committees may meet in the morning: justice, general government and resources development.

On Thursday, June 17, in the afternoon will be private members' ballot items standing in the names of Mr. Cousens and Mr. Epp, and in the evening we will continue business left incomplete from Tuesday.

On Friday, June 18, I expect we may be doing legislation rather than estimates, but I will specify which some time next week.

The House recessed at 5:58 p.m.

CONTENTS

Thursday, June 10, 1982

Statements by the ministry

Davis, Hon. W. G., Premier:	
Nuclear disarmament , Mr. Peterson, Mr. Cassidy, Mr. Renwick.	2507
McMurtry, Hon. R. R., Attorney General:	
Municipal election referendum	2510
Norton, Hon. K. C., Minister of the Environment:	
Reorganization of Ministry of the Environment	2511

Oral questions

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing:	
Group homes for mental patients , Mr. Ruprecht.	2525
Davis, Hon. W. G., Premier:	
SKF Canada Ltd. , Mr. Foulds, Mr. Kerrio.	2519
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Retail sales tax , Mr. Peterson, Mr. Cooke.	2513
Tax burden , Mr. Peterson, Mr. Foulds, Ms. Copps.	2516
Increase in insurance costs , Mr. Foulds, Mr. Roy.	2517
Retail sales tax , Mr. T. P. Reid.	2519
University funding , Mr. Charlton, Ms. Copps.	2521
Pope, Hon. A. W., Minister of Natural Resources:	
Employment in Sudbury , Mr. Gordon, Mr. Martel.	2521
Ramsay, Hon. R. H., Minister of Labour:	
Employment in Sudbury , Mr. Laughren, Mr. Wrye.	2523
Walker, Hon. G. W., Minister of Industry and Trade:	
Ontario Development Corp. , Mr. Riddell.	2523

Reports

Standing committee on resources development , Mr. Harris, tabled.	2525
Standing committee on administration of justice , Mr. Treleaven, agreed to.	2525

Motion

Private members' public business , Mr. Gregory, agreed to.	2525
---	------

First reading

Ontario Hydro Accountability Act , Bill 141, Mr. J. A. Reed, agreed to.	2525
--	------

Private members' public business

Native peoples' rights , resolution 27, Mr. Nixon, Mr. Wildman, Mr. Pope, Mr. McGuigan, Mr. Laughren, blocked.	2526
Legislative Assembly Amendment Act , Bill 106, Mr. Breaugh, Mr. Robinson, Mr. Haggerty, Mr. Foulds, Mr. Pollock, Mr. Nixon, Mr. J. M. Johnson, agreed to.	2537

Other business

Withdrawal of unparliamentary language, Mr. Roy	2512
Business of the House, Mr. Gregory	2547
Recess	2547

SPEAKERS IN THIS ISSUE

Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)
 Breaugh, M. J. (Oshawa NDP)
 Cassidy, M. (Ottawa Centre NDP)
 Charlton, B. A. (Hamilton Mountain NDP)
 Conway, S. G. (Renfrew North L)
 Cooke, D. S. (Windsor-Riverside NDP)
 Copps, S. M. (Hamilton Centre L)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
 Davis, Hon. W. G., Premier (Brampton PC)
 Epp, H. A. (Waterloo North L)
 Foulds, J. F. (Port Arthur NDP)
 Gordon, J. K. (Sudbury PC)
 Haggerty, R. (Erie L)
 Johnson, J. M. (Wellington-Dufferin-Peel PC)
 Kerrio, V. G. (Niagara Falls L)
 Laughren, F. (Nickel Belt NDP)
 Martel, E. W. (Sudbury East NDP)
 McClellan, R. A. (Bellwoods NDP)
 McGuigan, J. F. (Kent-Elgin L)
 McMurtry, Hon. R. R., Attorney General (Eglinton PC)
 Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)
 Peterson, D. R. (London Centre L)
 Philip, E. T. (Etobicoke NDP)
 Pollock, J. (Hastings-Peterborough PC)
 Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
 Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
 Reid, T. P. (Rainy River L-Lab.)
 Renwick, J. A. (Riverdale NDP)
 Riddell, J. K. (Huron-Middlesex L)
 Robinson, A. M. (Scarborough-Ellesmere PC)
 Roy, A. J. (Ottawa East L)
 Ruprecht, T. (Parkdale L)
 Ruston, R. F. (Essex North L)
 Sargent, E. C. (Grey-Bruce L)
 Shymko, Y. R. (High Park-Swansea PC)
 Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
 Sweeney, J. (Kitchener-Wilmot L)
 Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)
 Turner, Hon. J. M., Speaker (Peterborough PC)
 Walker, Hon. G. W., Minister of Industry and Trade Development (London South PC)
 Wildman, B. (Algoma NDP)
 Wrye, W. M. (Windsor-Sandwich L)



Ontario

LEGISLATIVE ASSEMBLY

No. 71

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Thursday, June 10, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Thursday, June 10, 1982

The House resumed at 8 p.m.

ONTARIO LOAN ACT

(continued)

Resuming the adjourned debate on the motion for second reading of Bill 111, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

Mr. Speaker: The member for Rainy River.

Mr. T. P. Reid: Thank you, Mr. Speaker—

Hon. Mr. Ashe: On a point, Mr. Speaker: There is one member of the third party and now, or lately, three members of the official opposition; it is disgusting.

Mr. Ruston: Do you want to call for a quorum?

Mr. Speaker: The member for Rainy River has the floor. Proceed, please.

Mr. Foulds: Mr. Speaker, on the point, whatever it was, that you allowed the Minister of Revenue (Mr. Ashe)—

Interjection.

Mr. Foulds: Does the minister want to call for a quorum? He can go ahead.

Hon. Mr. Ashe: No. We have enough members here to make up the quorum.

Mr. Ruston: Mr. Speaker, the direction by the Premier (Mr. Davis) has got more of the government members in now.

Mr. Speaker: Order. The member for Rainy River.

Mr. T. P. Reid: Thank you, Mr. Speaker. I am reminded of one of those folk song groups that used to say, "The crowd, while not large, was enthusiastic."

Mr. Piché: There are 18, two and one.

Mr. T. P. Reid: We go for quality on this side, not quantity. I refer to the three members on the back benches over there.

Interjections.

Mr. Peterson: Take your shoes off and count again, René.

Mr. Speaker: I would rather hear the member go for debate.

Mr. T. P. Reid: I do not know whether I

should do this by way of a point of order or just include it in my speech. I will leave that decision up to you, Mr. Speaker. It does relate to Bill 111, I can assure you, as have the previous five hours of my remarks.

The principle of Bill 111 is to give the Treasurer, Frank Miller, the favourite son from Muskoka, number three in the Tory leadership campaign—number two, he tells me—

Mr. Speaker: May I remind the member of a ruling I made earlier, that we are to refer to the members by riding?

Mr. T. P. Reid: I am sorry; I thought I had. The member for Muskoka, the favourite son—

Mr. Foulds: I thought that was Bobby Orr.

Mr. T. P. Reid: Bobby Orr could never stickhandle the way this Treasurer is trying to do—

Hon. F. S. Miller: On a point of order, Mr. Speaker: I am not a stickhandler. I block the shots; I am a goalie.

Mr. T. P. Reid: I think the Treasurer got his vowels and what not backwards.

I think I will do this by way of a point of order because, as you know, Mr. Speaker, it is the tradition now in the Ontario Legislature for members to rise, usually before the question period, to correct something that has been in the press—

Mr. Robinson: That is privilege.

Mr. T. P. Reid: That is not privilege. If my friend had been here and listened rather than barracking, he would know that it is a point of order that has now been accepted—

Mr. Robinson: We'll let the Speaker decide that, shall we?

Mr. Speaker: Proceed.

Mr. Robinson: Wait until the Speaker tells you—

Mr. Speaker: Order.

Mr. T. P. Reid: I think they are trying to give you direction, Mr. Speaker. In any case, on CBC's Metro Morning today—

An hon. member: Who told you about it?

Hon. Mr. Ashe: You weren't up then.

Mr. Speaker: Just ignore the interjections.

Mr. T. P. Reid: It is difficult, Mr. Speaker—
Interjections.

Mr. T. P. Reid: On Metro Morning today there was a program, which I believe is called Queen's Park Review, in which there are a couple of reporters from the press gallery who speak every Thursday morning about events that have happened in the Ontario Legislature.

Mr. Gordon: They interview each other, no doubt.

Mr. T. P. Reid: I am sorry, Mr. Speaker. I cannot hear the honourable member. He is mumbling as usual. You would think he was trying to take a position on the Sudbury strike. He is mumbling as usual so he cannot be taken to be on one side or the other.

Mr. Piché: Don't tell anybody you are from northern Ontario; it would look bad for the rest of us.

Mr. T. P. Reid: It is funny, Mr. Speaker, that my friend—

Mr. Speaker: This really has nothing to do with your point of order.

Mr. T. P. Reid: Mr. Speaker, the member for Cochrane North (Mr. Piché) has blasphemed me by saying that he wishes people knew that I was not from northern Ontario. I can tell him that almost every news outlet in my riding is Conservative, and I was speaking to one of those people just yesterday, who said: "You are doing a great job. Because of these taxes imposed in the budget of the Treasurer of Ontario and the Premier (Mr. Davis), who told us to remember the promise in the election of March 19, 1981, hammer them with everything you have."

Interjections.

Mr. T. P. Reid: All I can say is, the water sure has improved in this place. Mr. Speaker, you may be surprised to find that this speech may be a little shorter than you anticipated.

I am still on the point of order. In the radio broadcast this morning, one of the reporters from Queen's Park stated that I, the member for Rainy River, was filibustering Bill 111. First of all, that is factually incorrect. A filibuster—and I have taken the time—

Mr. Piché: You are making a joke of the Legislature; that's what you are doing.

An hon. member: René, you do that daily.

Mr. Piché: You're not filibustering; you're making a joke of the Legislature. And your boss is sitting there applauding you.

Mr. Ruston: That's the only speech you've given in a year here.

Mr. Speaker: Order.

Mr. T. P. Reid: Mr. Speaker, those former Liberals always are confused when they change parties.

Mr. Ruston: That's right. He's one.

Mr. Piché: How can you say that?

Interjections.

Mr. T. P. Reid: However, to the point of order. The particular person from the press gallery, whom I do not see up there tonight, made two comments. First, he said this was a filibuster, which it obviously cannot be and is not by any of the recognized definitions of a filibuster. I am the first speaker on the bill, and any filibuster worth the name is something that goes on for hours and hours, days and days, week after week and involves a number of speakers. I draw the House's attention to the fact that I am the only speaker thus far.

8:10 p.m.

I simply believe any bill that gives this Treasurer the authority to raise \$2.25 billion requires an extended debate. I cannot think of anyone who would, willy-nilly and without a great deal of thought and consideration, give this particular Treasurer, or anybody else—particularly on that side—the authority to borrow \$2.25 billion. That is the first point.

Mr. Speaker: Is that your point of order?

Mr. T. P. Reid: That is the first point. But I am trying to point out to you, Mr. Speaker, that the record is factually incorrect.

The second thing that particular reporter said was that we were debating an obscure bill and that for one reason or another, at least in his mind, this was a bill of little consequence, with little impact on Ontario. He said this bill had little impact on the people who are laid off, on the people who are in the mines, the factories and the offices or on the people who are walking the streets in this province.

I took the time, unlike my friends across the way, to look up the word "obscure," just to refresh my memory as to what it meant. "Obscure," in Winston's dictionary, which most of our secretarial assistants use—

Mr. Peterson: Isn't that a restaurant?

Mr. T. P. Reid: I have not been to Winston's since I was taken there as a guest. I am looking forward to it again, under the same circumstances.

Mr. Peterson: I will take you again, Pat.

Mr. T. P. Reid: Again? He has not taken me there yet.

Mr. Speaker, speaking of Winston's restaurant, which my leader mentioned, reminds me: Have you been in the legislative dining room?

Mr. Speaker: That really does not have anything to do with your point of order.

Mr. T. P. Reid: I am sorry.

Mr. Speaker: But to answer your question, no.

Mr. T. P. Reid: You should go, Mr. Speaker, because on each and every table in the legislative dining room there is a handwritten sign, saying, "We wish to bring to your attention that as of black Monday, June 14, your dinner and luncheon bills"—

Mr. Speaker: May we get back to your point of order?

Mr. T. P. Reid:—"will be taxed at seven per cent."

Mr. Speaker: Just for your direction, if I may: If you are referring to something that was said on the radio, it should be a point of privilege rather than a point of order.

Mr. T. P. Reid: I am sorry, Mr. Speaker; you are absolutely right. The member for Cochrane North, by mistake, was right for the first time since he has been here. I am sorry; he was right once before—but that was when he was a Liberal.

The reporter really did say that it was an obscure bill, but here is Webster's definition of "obscure": "lacking or inadequately supplied with light: dark or dusty"—I do not think we can accept that definition—"withdrawn from the centres of human activity"—to which we might add "reality," which is why the Treasurer has brought in the taxes he has—"not readily understood or clearly expressed." That is probably one of the definitions of "obscure" we want to deal with, because I do not think the public generally understands that this man has all the power and authority to borrow \$2.25 billion.

He stood in his place and said to us in this assembly—you will recall; I believe you were in the chair, Mr. Speaker—that a year ago or two years ago it took 30 minutes or 19 minutes to pass a similar bill. Can you imagine us on this side not doing our duty by ensuring that the people of Ontario know and understand that we are giving this man the power to raise \$2.25 billion?

As I have indicated, and this will be the only repetition in the eight or 10 hours that I will

speak on this bill, \$2.25 billion equals the deficit which the Treasurer has projected for this year and which I have indicated is no doubt a smaller amount than we will actually realize by the time this fiscal year runs by.

Some other definitions of "obscure" are: "lacking showiness or prominence: inconspicuous, humble; not distinct: faint; constituting the unstressed vowel or having unstressed"—well, we will not go into that.

Other definitions are: "obscure, dark, vague, enigmatic, cryptic, ambiguous, equivocal... not clearly understandable."

"Obscure" implies a hiding or veiling of meaning through some defect of expression or withholding of full knowledge.

"Dark" implies an imperfect or clouded revelation, often with ominous or sinister suggestion.

"Vague" implies a lack of clear formulation because imperfectly conceived or thought out." That certainly applies to this budget.

"Enigmatic" stresses a puzzling, mystifying quality." We find it that as well.

"Ambiguous" and "equivocal" both imply the use of the same word in different senses, 'ambiguous' suggesting inadvertence and 'equivocal' an attempt to confuse or evade."

There is another definition of obscure: "to make dark, dim or indistinct; to conceal or hide by covering or intervening; to reduce to the value of very little."

This is not an obscure bill. It may be obscure in the attention and understanding that the taxpayers of Ontario have about it, because I must say the finances of this government really are not well understood by most people in this chamber, including the Treasurer himself on occasion, but the bill is of fundamental importance.

The bill gives the Treasurer the authority to raise the money he needs to finance the mistakes of the past, such as the land banks, Suncor and all those things I have spoken about previously. I think the record should show, and that particular member of the press gallery should have it pointed out, that it is not an obscure bill. Perhaps it is obscure in terms of understanding, but its impact and effect are quite apparent.

Just as a matter of interest, in the Concise Oxford Dictionary the word right after "obscure" is "obsecration." Obsecration means "earnest entreaty." That is what we are here to do—

Mr. Nixon: Obsecration? You are obsecrating.

Mr. T. P. Reid: Obsecration. It is something like transmogrify. Does the Treasurer remem-

ber that word in his budget? Transmogrify; they took a nice, polite, friendly, realistic, rational, humorous man from Muskoka and turned him into a Treasurer who is mean, narrow-minded, grasping, Fagin-like in his approach and who has turned almost half of Ontario into tax collectors for him. That is what transmogrification means, in case the members wonder what that word meant in the dictionary. I confess I taught English in high school for two years.

Mr. Foulds: I don't believe that.

Mr. T. P. Reid: I took English in university.

Mr. Foulds: I don't believe that either.

Mr. T. P. Reid: My principal subject, by the way, was in economics, in case they wonder if I really know what I am talking about—

Mr. Foulds: That's even harder to believe.

Mr. T. P. Reid: I am glad to say, Mr. Speaker, that the Ministry of the Environment is working on the water taps in this particular institution.

Mr. Nixon: It's not really?

Mr. T. P. Reid: Yes, it really is. That is why this speech may be shorter than one thinks it is. That is what transmogrification is.

However, Mr. Speaker, when I indicated to you on Tuesday evening at 10:30 that I was just getting into the meat of my remarks, I misled you slightly, because I was just sort of giving you the prologue.

8:20 p.m.

Mr. Rotenberg: On a point of order, Mr. Speaker: The member for Rainy River raised a point of order. I think he is finished speaking on his point of order. I would like to comment on it, because the dictionary defines "filibuster" as "the use of extreme dilatory tactics in an attempt to delay or prevent action, especially in a legislative assembly." It says nothing about more than one person. I suggest, without talking about obscurity, that the CBC reporter was quite correct in calling this a filibuster and, if there is any ruling to be made, I hope you will rule that the CBC reporter was quite correct in calling this a filibuster according to Webster's dictionary.

Mr. Speaker: Thank you very much for drawing that to my attention. You are both out of order. I had said earlier it was a point of privilege.

Mr. Rotenberg: Well, I will raise it as a point of privilege on behalf of the reporter, who cannot defend himself in this assembly against the attack by the member for Rainy River.

Mr. Speaker: For purposes of clarification, the member for Port Arthur.

Mr. Foulds: Mr. Speaker, I resent this filibustering on the part of the member for Wuthering Heights.

Mr. T. P. Reid: Mr. Speaker, I mentioned to you that in looking up this word I came across the other word, "obsecration," which, quite frankly, I have not heard before. As I said to you, that word means an earnest entreaty. That is one of the reasons we are here and taking as much time as we think is necessary to deal with Bill 111.

We entreat the Treasurer and the Premier as earnestly as we can to accept the suggestion of this party that a legislative committee should deal with these tax bills, particularly the one that will expand the base of the retail sales tax.

We entreat them to hear those people who wish to come before it in a public way to exercise their democratic right so that they will feel there is something to the phrase "participatory democracy," so that they can have their say before the Treasurer and his colleague, who are imposing these taxes on them, and so that the private citizens who make up the people who put the government in here will be able to have an opportunity, as we heard earlier from my leader when he was talking about the people who run the mobile catering operations and others, to tell the Treasurer what impact these budget measures are going to have on them. I say that as an earnest entreaty. It is not done lightly. We all—

Hon. F. S. Miller: Mr. Speaker, I would like to have a point of order for a second. Is he on a point of order at the moment?

Mr. Speaker: No, he is not, really. He is proceeding with his debate.

Hon. F. S. Miller: I just wanted to correct something in the record, Mr. Speaker, if I may. That is a comment that I think is appropriate to the purpose of the debate tonight. This afternoon the Leader of the Opposition (Mr. Peterson) said in his comments:

"I want to point out something to the Treasurer. He is aware that there is precedence for budget bills going to committee. I refer him to Monday, March 19, 1962, reading from Hansard," etc. He referred to a budget bill going to committee by Mr. Robarts's motion. That was not a budget bill. That was an act to amend the Retail Sales Tax Act moved by the Leader of the Opposition of the day.

Mr. Peterson: Mr. Speaker, if I may speak to the point of order: The Treasurer will recall, because he was alive at the time, that there was indeed some discussion over the Retail Sales Tax Act of the day. The reality is that the Premier at the time moved that it go to committee, and he was very happy with that; so there is precedent for that in the circumstances.

The Treasurer may not call a Retail Sales Tax Act a budget bill or an amendment thereto. What we are talking about is the amendments to the Retail Sales Tax Act. The Treasurer may think he is quite cute tonight, as he usually does, but there is precedence for it.

Interjections.

Mr. Speaker: Order.

Hon. F. S. Miller: If there is cuteness here, it is being illustrated by the Leader of the Opposition at this moment.

Mr. Nixon: On the point of order, Mr. Speaker: The minister was selling used cars in the Paris area that year, or something like that, but I was just elected that year and the retail sales tax at three per cent was new legislation. The Legislature was consumed with concern about this innovation, and the Premier of the day felt it was necessary for the people to get a chance to discuss the ramifications of the Retail Sales Tax Act. It was sent to committee on his motion.

I put to the minister the fact that, whether it was a budget bill or anything else, we simply identified the bill by its number. We said it was an amendment to the Retail Sales Tax Act and, on motion of the Premier, it went to the standing committee for a full discussion. I suggest to the Treasurer that he should follow suit, because it is going to be a valuable discussion and one we need in this province.

Hon. F. S. Miller: The opposition takes great pains to correct me. I was simply pointing out that this afternoon the Leader of the Opposition said it was a budget bill that Mr. Robarts referred to committee. I have corrected the record, and that is all I have done.

Mr. Peterson: The Treasurer may or may not recall—maybe he can remember back to about 2:30 this afternoon, when I quoted from Hansard exactly. It was the Retail Sales Tax Act, and the Premier of the day was speaking. He may want to draw some fine distinction.

I am trying to help the Treasurer. He may or may not understand that. I am saying he will not lose face if this bill goes to committee for a discussion where we can bring in outside witnesses so that we can enlighten the Treasurer as to the

ramifications of this legislation he has brought before this House.

Mr. Speaker: Order.

Mr. Peterson: The Treasurer does not understand, perhaps, that I am trying to get him off the hook and not trying to put him on the hook.

Mr. Speaker: Quite obviously there is a difference of opinion. You have both stated your positions as to clarification, thank you. Now we may get back, I hope, to the member for Rainy River.

Mr. T. P. Reid: Mr. Speaker, I cannot think of anything more fundamental to the democratic process than talking about bills that are going to affect the raising and spending of money in Ontario. There are those, I know, on the other side who feel we should just roll over willy-nilly and accept what the Premier and the Treasurer bring into this House. However, Mr. Speaker, I know that you enjoyed my poem so much a couple of weeks ago on the matter of the budget that I have another one. This is an ode to Bill 111. It reads like this:

The Treasurer sits quiet and still,
In his hands are clamped tightly this bill;
He thinks Bill 111 is his ticket to heaven,
Yet his hands will be late to the till.

They will not be that late, because as of Monday, June 14, the Treasurer is going to be, as I said earlier today, the unseen guest at every meal the people have or send out for. It is an obscene presence at every meal, because everybody in Ontario is going to have to pay the seven per cent tax.

Mr. Speaker, I am sure you have seen the advertisements which the Ontario Restaurant and Foodservices Association has got in the newspapers in regard to it. We are concerned about that. We are concerned about the fact that many of the meals in cafeterias, for senior citizens, in camps and so on are all now going to be subject to this tax.

We are raising, by way of Bill 111, the money to pay for the Treasurer's expenditures for his and the Premier's priorities. We have asked time and time again since the budget was brought down—I believe the date was May 13; it was not a Friday, but that was close enough for government work—when the bad news of this budget was brought.

8:30 p.m.

One of the Treasurer's predecessors, Jimmy Allan, who was the Treasurer in 1962, was one of the finest men I have ever had the pleasure of

serving with in this Legislature. He was one of the most intelligent, most reasonable and most competent people. It always surprised me, quite frankly, that he was not a Liberal. He said in his budget address: "By exempting food, fuel, rent, children's clothing, books, school supplies and medical expenses, we have avoided taxing most of the items that represent the greatest expense to families with small budgets. It bears lightly on low-income groups and more heavily on high-income groups, in accordance with the principle of ability to pay."

Those are the words of the Treasurer of 1962. Those words, to my mind, are as valid today in Ontario as they were then. In fact they are more valid, given the extreme economic circumstances of the province, given the number of people who find themselves laid off and given the number of people who find themselves on social assistance or whatever. This government is not giving those people relief, it is not giving them assistance, as any humane government would do. We on this side believe it is one of the essential principles of government and of the existence thereof to help those who need help the most and who find themselves in circumstances and straits where, perhaps temporarily, they cannot provide for themselves.

So Bill 111, which gives the Treasurer the authority to raise money under these various acts, we find repugnant; we find that we cannot accept it, and we ask him and his colleagues opposite to reconsider and to deal with our perfectly reasonable suggestion that he give people who are affected by these taxes the opportunity to discuss the impact and incidence of the tax burden on them.

There are just a couple of comments I would like to make. My colleagues and I are still getting calls every day, every evening. Some of my colleagues, I understand, were at a banquet tonight, and they have reported to me that even at that dinner people were complaining about the taxes levied on them. I throw out to the Treasurer that, since he has done so much for small business by giving them the tax holiday, he might consider retroacting that back—I think that is a new word, Mr. Speaker—to January 1. A lot of people are going to have a lot of difficulty with the economy today.

I have in my hand a letter that has come by way of my leader. We do not always understand the impact of these taxes, and I do not say this with any disrespect to my friends opposite. We read or hear the budget of the Treasurer; he gives us the measures in the budget, and he has

referred already to the regulations and to those methods that are going to be used to put these various tax measures into effect. I would like to draw the Speaker's attention to this one that comes from Time-Life Records. It says:

"Thank you for your recent letter concerning the tax charge on your Great Men of Music invoices"—before I started speaking like this, I used to be a soprano. "We have been informed by the Ministry of Revenue in Ontario that we must charge tax not only on the base price of our records which we send to Ontario residents, but on the shipping and handling charges as well."

We are not just talking about the tax on the tangible item that people get—through the mail or otherwise—but about a seven per cent tax on the services being provided. We are already taking a beating on the mail, through the federal government. Yet this Treasurer, who has expounded on occasion about how bad those taxes are, is now riding the gravy train and is levying taxes on those services provided as well.

The letter goes on to say, "As much as we regret having to do this, as it increases the prices for our Ontario customers, we must comply with the tax regulations and trust you will understand."

[Interruption]

Mr. T. P. Reid: It is the only thing I ever got from you.

The letter goes on to say, "We hope that, despite this, you will continue your interest in Great Men of Music." So there is more to this than meets the eye.

I would like to raise another matter with the Treasurer, and perhaps he can respond at some point. I am glad to see the Minister of Revenue (Mr. Ashe) here as well. As far as we know from talking with the food and restaurant people to some extent, but mostly with the mobile caterers today, they have not received instructions from the Ministry of Revenue as to how they are supposed to start collecting and remitting the tax on sandwiches and coffee and doughnuts as of Blue or Black Monday—I prefer Blue Monday—on June 14.

It again leads my colleagues and me to the conclusion that this budget was so ill thought out, so poorly prepared, that the government has not even prepared the regulations to put these punitive taxes into effect.

On this side, we are quite happy—

Hon. Mr. Ashe: Maybe they can't read, I don't know.

Mr. T. P. Reid: Have they got all this information? They certainly did not indicate that when they met with us. They are not sure. Do they have to have a new cash register on their mobile trucks?

Hon. Mr. Ashe: They knew you had booked a media studio so they did not want to disagree with your conclusions.

Mr. T. P. Reid: I have not booked any media studio. I am just a poor, humble boy from Rainy River. I do not even understand what the media business is about. It does not go as far as Rainy River so I do not know what he means.

What they have done—and I hate to tell the Speaker this because he was one of the more rational Conservatives. He was so rational they took him off the public accounts committee.

Mr. Nixon: They were worried about him.

The Acting Chairman (Mr. Cousens): On Bill 111.

Mr. T. P. Reid: I want to talk about the matters in the explanatory notes. I have never understood them. Maybe the Treasurer or someone can give us an explanation. The bill is broken into two separate sections in the explanatory note. It talks about borrowing from the Canada pension plan, the Ontario treasury bill program and CMHC waste control loans. We all know these last come not from the province but from the federal government, but this gets lost in all the discussions about what the federal government pays for or does not pay for. Finally it talks about the federal-provincial municipal loans program.

8:40 p.m.

After listing those four, the explanatory note says:

"The amount of \$2.25 billion authorized by the bill is intended to cover the following estimated borrowing requirements:

"1. The Canada pension plan borrowings;

"2. The teachers' superannuation fund borrowings."

Do you know what that means, Mr. Speaker? We are borrowing money to pay back what we have already borrowed. That is what it means. This is the obscure bill that some would refer to. This is the bill the Treasurer thinks we should spend 25 minutes or less on. We are talking about \$2.25 billion.

I am sure members will recall with enthusiasm the other night when I was referring to volume 1 of the financial statements of the province. Because the Speaker was fortunate enough to spend a short period of time on the

public accounts committee, he is one of the few who is aware of what is contained in the statements. I did not refer to all the financial statements relating to Bill 111 the other night. He will be happy to know that in the interim I have been through volumes 2 and 3 of the public accounts and there are matters directly related to Bill 111 in there that I think should be put on the record.

Mr. Speaker, I wonder if you would indulge me—you are there, Mr. Speaker? I found, and I am sure you did, that every debate needs a little levity. While this poem is perhaps a somewhat small departure, it really deals with the essence and the impact of this bill and the budget of the Treasurer. These future remarks are called the Miller hit list. If I may, Mr. Speaker, I would just like to read it. It will not take long:

'Twas the night before Budget and all through the House,

The members were laden with serious doubts,

As to whether the Treasurer would demonstrate care,

In ensuring his taxes were minor and fair.

The Ontario people were snug in their beds,

But those who were psychic had visions of dread.

For the women and students and babies in town

Were about to be faced with good reason to frown.

The next day 'cross the land there arose a great clatter,

One glance at the Blue Book showed what was the matter.

Women, students and babies weren't the only ones hit,

The farmers, retailers and owners were sic-ed

With increases galore in provincial demands

To support wasteful jets and oil company plans

Of the Tory bureaucracy. Few folks were overlooked,

Even municipalities must reopen their books.

Restaurants, hotels and motels have been struck,

So have land owners, pet lovers and owners of trucks,

Retailers, commuters and taxicab types, Schools, colleges, youth and toddlers alike.

It is hard to believe the insidious facts:

Conscientious conservers are now to be taxed.

So are those on fixed incomes and those who own cars:

To escape being hit you'd best move to Mars.

Not Santa's Village.

Then what to my wondering eye should appear,

But a smiling Frank and a great Tory cheer;
With a tired old cabinet so wasteful and smug

Who reacted to public outcry with just a shrug.

They whistled and shouted. I'd call them by name

But the 26 jokers are all just the same.

"Feign concern for the public! Feign concern for the poor!"

"Now let's off to La Scala, 'fore they ask us for more."

So off to a party the Tories did run,

And giggles and chuckles and an eve full of fun;

As opposed to the people the guillotine hit
From Ontario's lake to our northwestern-most tip.

[Interruption]

An hon. member: What is that noise?

The Acting Speaker: Order. It is clicking. I hope this is tied in to Bill 111.

Mr. Breagh: They are just getting the beat over there.

Mr. T. P. Reid: I am sure the Treasurer wants to hear this.

Frank was dressed in gauche plaid just like all other years,

But his deed was all tarnished by tension and fears.

A bundle of bullets he had slung on his back,

And he looked like a hunter who'd just caught our tracks.

His eyes how they twinkled! His lips how they twitched!

His cheeks were like roses! His hands how they itched

To skim off our savings, to thrust on us debt:

He hadn't caught wind we were on to him yet.

A wink of his eye and a twist of his head
Alerted us all we had plenty to dread.

He spoke many words with a grin on his face,

But the message delivered was from far outer space.

He dashed all our hopes then turned with a jerk

And left us to suffer the thrust of his work.

And shoving his fingers inside of his pants
this is parental guidance only—

He faced all the province with an arrogant stance.

[Interruption]

The Acting Speaker: I would ask the hoof beats to stop. Rudolph is in our midst.

Mr. T. P. Reid: I continue:

He then sprang from the House, to his team gave a whistle,

And away they all flew to drink from their crystal.

And I heard him exclaim as he drove out of sight,

"Happy budget to all; I don't care 'bout your plight."

I think I should give credit to the author, Sara Clodman of our research staff, who has done an excellent job. I want to take what—

Hon. Mr. Eaton: They want credit for their research staff.

Hon. Mr. Ashe: Sounded like Bob Nixon to me.

Mr. T. P. Reid: I would like to know what the 400 people in the Treasury department did while they were drawing up this budget. When we analyse it, all we find is that the Treasurer, probably late at night down at the Albany Club, scribbled out what he was going to do in this budget on the back of an old envelope.

I have some background in economics. I do not pretend to understand very much about these things but I found after reading the Treasurer's budget that I understand a hell of a lot more than he does. What did he agonize over all these months when he brought in a budget like that for the people of Ontario?

My leader, everybody in this party and even some of the people opposite were saying, "Bring in a budget and let us hear what you are going to do." What did we get? We know what we got. The thinnest budget in Ontario. There are no studies; there is no information as to the incidence of the tax burden on those people who are going to suffer from these budget initiatives by the Treasurer, if we can call them that.

We do not have any budget studies to indicate where the province is going. We do not have all

those reports and surveys that were at the back of other budgets to say what they are going to do. There is hardly a mention of the Board of Industrial Leadership and Development program which was supposed to be the great building block.

[Interruption]

The Acting Speaker: Order. Carry on.

Mr. T. P. Reid: I gather the member for Cochrane North is either rolling the two small brains he has around in his head or clicking his false teeth. I am certainly willing to let him continue.

The Acting Speaker: You have the floor and I would not want you to have any disruptions.

Mr. T. P. Reid: In speaking to Bill 111, if we look at the financial table—

[Interruption]

The Acting Speaker: Order. The member for Rainy River has the floor.

Mr. T. P. Reid: If the honourable member is going to continue to do that—

The Acting Speaker: I will give the member a warning that should that continue, you will not only lose your pencil, you might lose your presence among us for a while.

8:50 p.m.

Mr. T. P. Reid: I would hate to see a former Liberal leave, Mr. Speaker, but if that is your ruling, so be it.

Interjections.

The Acting Speaker: Order. Carry on, the member for Rainy River. Please do not allow these little disruptions to interrupt you.

Mr. T. P. Reid: I want to assure honourable members that little poem I read will probably be equal in popularity. It was done after business hours, as a sincere and serious operation, by our research people.

With reference to Bill 111, I want to refer to the financial tables and charts we find on page 27 of budget paper C of the member for Muskoka's 1982 budget, entitled Statement of Provincial Net Cash Requirements and Related Financing. All of these things sound so innocent and simple yet their effects are not only going to be felt by the present taxpayers of Ontario but those who will be paying taxes in the future—our sons, our daughters, and probably their sons and their daughters. If I could refer to the member

for Cochrane North—well, sons and daughters would not be fair. In any case—

Mr. Piché: Try me.

Mr. T. P. Reid: I am not that hard up yet.

We are talking about the net cash requirements. This has always been a mystery to most people who look at the financial statement of the province.

I hope that as I go along the Treasurer is taking note of the various questions that I raise, because I believe, as I am sure my colleagues on this side also do, that they are legitimate questions. We are looking for clarification and information.

I would like to know exactly what the Treasurer means by net cash requirements, because on occasion he does change—

Interjection.

Mr. T. P. Reid: It is not often you want to hear me speak. The Lord taketh and the Lord taketh away.

Mr. Robinson: The Lord giveth and the Lord taketh away.

Mr. T. P. Reid: On this side and with this Treasurer, the Lord taketh and the Lord taketh away all the time.

The Treasurer has defined net cash requirements in a number of ways to suit his purposes. In the fiscal year 1980-81 the revenue was \$16,470,000,000, the expenditures were \$17,273,000,000, leaving a net cash requirement of \$803,000,000. For interim 1981-82, the revenue table was \$18,855,000,000 and expenditures were \$20,415,000,000, for net cash requirements of \$1,560,000,000.

I just want to remind the members that the estimated net cash requirements for the period April 1, 1982, to April 1, 1983, are \$2,232,000,000, which is almost exactly the same as the amount we are asked, under Bill 111, to give the authority to the Treasurer to raise. Now he is saying that his estimated revenue in 1982-83 will be \$20,545,000,000.

This does not take into account the effect his budgetary measures are going to have on the economy of Ontario. If the people from the Ontario Restaurant and Foodservices Association are correct, if the mobile caterers are correct, if the people who are running cottage industries making dresses and suits at home and who are now being taxed on patterns, material and labour are correct, there are going to be a lot of people out of business.

The restaurant association, for instance, is forecasting that possibly 7,500 people are going

to be put out of work as a result of taxing meals under \$6. We are now going to tax everything from McDonald's—

The Acting Speaker: Is the honourable member talking to us on Bill 111, which is specific to the budget

Mr. T. P. Reid: Mr. Speaker, perhaps you were momentarily distracted. We are being asked under Bill 111 to raise almost exactly the same amount of money by borrowing as is the deficit of the Treasurer. I am saying that the Treasurer has projected revenues of \$20,545,000,000, and I am suggesting, because this bill will go through at some point or other with the arrogant majority, the revenues projected by the Treasurer are going to fall far short of \$20,545,000,000.

If the restaurant and food services organization is correct, that one sector alone is going to lay off 7,500 people. They will not be able to meet their payrolls because people are going to stop eating out. The poor, the ones with lower incomes, are going to quit having their pizza once a week or once a month, their chicken and all the rest of it, because they will not be able to afford it.

Or they are going to feel, as I do quite frankly, that I am not going to order in any more. I am not going to give the Treasurer or the Premier the satisfaction of being able to tax my pizza, my chicken, my Chinese food, whatever it may be, seven per cent to pay for their jet, for their oil company, for their \$40 million in advertising, for the almost \$750,000 in public opinion polls which they will not make available to this Legislature and to the public at large, and to pay for their land assembly schemes.

I am going to be referring to those land assembly schemes again, Mr. Speaker, because in the volumes of the public accounts there is the very interesting auditor's comment about how we do not charge the opportunity costs of interest any more to those schemes.

Mr. Speaker, I have here, courtesy of the restaurant association—and I must confess to you that I ate the chicken.

Mr. Nixon: But there is the bag.

Mr. T. P. Reid: But there is the bag. I was going to send this to the Treasurer. I was only going to try to eat seven per cent of what was in this bag, but I did not. However, I will send this pizza over to him because it will probably be the last one the Treasurer has before Blue Monday when the seven per cent tax will go on it. He can give a piece to the member for St. George (Ms.

Fish) in the back. She is looking a little piqued because, no doubt like every other Tory member, she has been getting laced by her constituents as to the taxes.

Mr. Bradley: She is getting calls from David Crombie.

Interjections.

The Acting Speaker: Order.

Mr. T. P. Reid: I am sure the Treasurer will take that home and warm it up. I suggest he do it on Monday because after that it is going to cost him seven per cent more.

9 p.m.

I suggested the revenues of the province are going to be less than the projections of the Treasurer. The expenditures are suggested for 1982-83 at \$22,777 million. I now suggest as well that, before this year is up, we will have before this very assembly supplementary estimates, if history is any guide to us, in the nature of between \$300 million to \$500 million. I bring it to the members' attention because I do not believe I mentioned this before. The Treasurer was out on his estimated deficit, if one takes his figures, by 124 per cent in the last fiscal year.

The deficit is going to be, I would suggest, an additional \$300 million to \$500 million. I believe the Treasurer knows that already. He is going to have to borrow that. He is going to have to come back with another Bill 111 or 212 or 222 or 333, and he is going to have to get that money from somewhere.

The irony of all of this is it has been his own actions that have led to the shortfall in the revenues he expected, and his own actions have led to the increases in the necessary expenditures for people on social assistance and government programs, to help those who need it the most. That really is an irony.

As I said peripherally the other night, we tend to get carried away and to think that in effect this chamber is reality. It really is not because the people are out there on the streets of Toronto, the streets of Acton—for my friend the member for Halton-Burlington (Mr. J. A. Reed), which is not on the map—of St. George, Paris, Niagara Falls, Pembroke, Ottawa and Kingston.

One can go into northern Ontario. I gather my friend has left, but one can go into Timmins, Cochrane, Sault Ste. Marie, Sudbury where the strike is on, Thunder Bay, Fort Frances, Atikokan and Barwick. I could go all through my riding, Ignace, Emo and all the rest of it.

Those are the people who are going to feel the

effect of all these budget measures. They and their heirs are going to be paying for the proceeds the minister is going to raise under these bills.

All we are asking is a chance for those people who are going to be most directly affected by the taxes the Treasurer is bringing in, an opportunity to come before the Legislature, before a legislative committee and say: "Mr. Treasurer, members of the Conservative Party, this is how we are being affected. This is what it is going to do to our lives. This is what it is going to do to our businesses."

I do not think that is an unreasonable request. I really do not. We have heard from my leader today, and others, that Mr. Robarts referred tax bills, and particularly the retail sales tax, to the public accounts committee. I can tell the members that, as chairman of that committee, I stand prepared to sit during the summer or whatever is required to hear—

Hon. Mr. Ashe: The way you are going you are going to be here all summer.

Mr. T. P. Reid: There is certainly one way to solve that problem. Allow people to have their say. I am prepared—

Mr. Gordon: When were you in your riding?

The Acting Speaker: Order. The member for Rainy River has the floor.

Mr. T. P. Reid: As a matter of fact it was last weekend. I do not sit on the fence, like my honourable friend, and I do not blow whichever way the political winds are blowing.

Interjections.

Mr. T. P. Reid: I can tell my friend, he is what some of his colleagues used to call some of us, an overnight guest.

They are calling him that right now. We are not saying that, his own colleagues are saying, "Now there is an overnight guest;" because he does not have the integrity to stand up and say what he really thinks. He cannot do that in Sudbury, he cannot play the little political games that he is playing. I have been through a lot more strikes and labour situations than he will ever think of; and the people of Ontario and Rainy River have appreciated my honesty in that regard.

Mr. Speaker: And now back to the bill, please.

Mr. T. P. Reid: Mr. Speaker, I am glad to see you back. I am being provoked by the member for Sudbury (Mr. Gordon), who I think was

taking advantage of the fact that you were absent.

Mr. Gillies: Put a bag over your head and wrap it up.

Mr. Speaker: Order.

Mr. T. P. Reid: I am glad to see, I really appreciate seeing, that the member from Mazda is here again with us tonight. He is back from Belgium, a visit he tells me he paid for himself. It is really interesting that all the parliamentary assistants, and on occasion cabinet ministers, have these rubber postdated cheques. If nobody raises the issue the cheques bounce right back into their wallets but otherwise they pay for their own.

Mr. Speaker: Back to the bill, please.

Mr. Shymko: Where is Albert tonight?

Mr. Bradley: Who woke you up.

Mr. Gillies: Speaking of globe trotters, where is the member for Ottawa East (Mr. Roy)?

Mr. T. P. Reid: He did not go to Belgium.

Mr. Speaker, when you consider the quality of the interjections from the party over there, maybe some of them should only show up one night a week. They might sharpen their wits.

In regard to the money that we are raising by Bill 111, I would refer to page 2-35 of the public accounts: Schedules to Statements of Assets and Liabilities. You will know, Mr. Speaker, that one of the places that the Treasurer is going to get his money from is CMHC waste control loans, explanatory note 3 in the bill.

At the very top of page 2-35 of the public accounts, this is as of March 31, 1981, it says, "advances payable." In other words, they have received this money already from the federal government. They have had that money in their hot little hands. This is the government that says the federal government does not do anything for them. CMHC waste control loans is number three in the bill.

Mr. Speaker, I draw to your attention that in 1980, from the federal government under the CMHC waste control loans the government of Ontario received \$65,493,447. That figure, I must admit, went down substantially in 1981 to \$14,825,426. It says, and I think this should be on the record: "The Canada Mortgage and Housing Corporation advances funds to the province . . ." Advances funds: I want you to be aware of that, Mr. Speaker, because what happens very often is that under these bills we are talking about this government has funds advanced to it ahead of the actual requirement

for the funds, and the money sits in bank deposits earning short-term interest. This government gets the interest on that money.

When one is talking about \$65 million in 1980 or \$14 million in 1981, it does not take too many days for the interest on that money to become fairly significant. It gets to the point where the member for Brantford (Mr. Gillies) could afford to buy a North American car, for instance, just with that interest.

9:10 p.m.

"The Canada Mortgage and Housing Corporation advances funds to the province on an interim basis for a portion of the cost of waste control projects under construction." I am sure in Peterborough there are those kinds of projects, but I have yet to see on any of them that credit is given to the federal government for these projects.

Mr. Gordon: You are in the wrong House.

Mr. T. P. Reid: Maybe in Sudbury it is different.

The federal government is putting up this money. When a project is completed the advance is partially forgiven. In other words, it is money that the province gets from the federal government and some of it does not have to be paid back.

I am not an apologist for the federal government, but I think the people of Ontario should know that when the Treasurer, under Bill 111, says he is raising money for these reasons, he is also getting what amounts not only to interest-free but also, to some extent, capital-free contributions from the federal government. When a project is completed, the advance is partially forgiven and the balance is converted to a 40-year serial debenture.

While it does not say this in Bill 111, the federal government is a partner, to a large extent, in providing what some of us who have been here for a while would call a "forgiveable loan" from the federal government—without, I might add, very little credit going to the federal government.

On page 2-35, in relation to Bill 111, there is something called Debentures and Notes Summary covering debentures and note liabilities of the province payable in Canadian dollars. We get right into where the government, by way of this bill, is going to get some of these funds, under the heading Nonpublic Debt.

I have never understood exactly what is "nonpublic debt." Presumably it means that we have not gone to the public credit markets of

North America to raise the money. I think those of us who have had some grounding in economics and some experience in these matters would know that is what "nonpublic" means. To the uninitiated it might mean that this money somehow appears out of nowhere. But if it is nonpublic, what is the alternative?

Mr. Nixon: Private?

Mr. T. P. Reid: Private money? It does not come from the private sector because the terms "public sector" and "private sector" in this case mean exactly the same thing. That is why confusion reigns. It is something that the government for many a year has not tried to clear up. When the Treasurer reads his budget and says "nonpublic," the public who might be listening says: "Oh, well. They are not getting that money out of us. It is not costing us anything." But in fact it is.

They want to borrow \$2.25 million under Bill 111, and I would refer members to Nonpublic Debt. Nonpublic debt, for those who do not know—and maybe some of my colleagues on the other side do not know—

Mr. Nixon: They don't have any nonpublic debt.

Mr. T. P. Reid: They did not realize it. They tend to think after a certain number of years that it comes out of the air, but we are borrowing from the nonpublic debt. From the Canada pension plan investment fund, in 1980, it was \$8,757,322,000. In 1981 we borrowed \$9,295,194,000 from—

Hon. Miss Stephenson: Is this for your campaign?

Hon. Mr. Ashe: Smile at the camera.

Mr. T. P. Reid: I do not know who the young lady is but why does the minister not take pictures of the two best-looking people, myself and the Minister of Education (Miss Stephenson). We will print them side by side in the Rainy River Record and the people there can choose who they like.

Hon. Miss Stephenson: Flattery will get you everywhere.

Mr. Speaker: Back to Bill 111, please.

Mr. Robinson: Mr. Speaker, it pains me to rise in my place on such a point of privilege, but I am sure that if the member for Rainy River, who is just at this moment relaxing for a well-deserved hiatus, would reconsider his recent comment, he would recognize that the Provin-

cial Secretary for Social Development (Mrs. Birch) is indeed better looking than he is.

Mr. Speaker: And now back to Bill 111.

Mr. T. P. Reid: There are two things I now agree with the member for Scarborough-Ellesmere (Mr. Robinson) about. One is his bill on child restraints, since I now probably have the most beautiful child in all Ontario, if not in all jurisdictions.

Hon. Miss Stephenson: The member has not seen my grandchildren.

Hon. Mr. Ashe: Or mine.

Mr. T. P. Reid: Do they smile? The other thing is that I bow to his superior knowledge and I agree entirely that the Provincial Secretary for Social Development is much better looking on all sides than I am.

Mr. Bradley: And more concerned.

Mr. T. P. Reid: I invite her or the Minister of Education to come up and run in Rainy River and we will see whether it is looks, intelligence or competence that really makes the difference.

Hon. Miss Stephenson: If it were that, you would not have been elected.

Mr. T. P. Reid: I will sic Jerry Snyder on you if you are not careful.

We are talking about the money that is going to be raised.

The Deputy Speaker: Yes, refresh my memory.

Mr. T. P. Reid: I am glad you asked. I was talking about the fact that under the bill we are going to raise \$2.25 billion. I was just about to go down the list to explain to you and the other interested members how we arrive at that figure, because I think it is very germane to the bill. How can we pass a bill asking for \$2.25 billion if we do not understand the components that go into arriving at that total?

I suppose we all become a little hardened, we become a little crass, we become a little tuned out after a while, when we consider our deficit this year is going to be \$2.23 billion. Who understands what a billion dollars is, let alone \$2.23 billion? How do we bring that down so that the people of Ontario can really understand it? One of the ways to do it—and I admit my figures are a little out of date, but not much—is to say that every person in Ontario is paying over \$1,500 in income tax, retail sales tax, and so on. When we talk about a jet worth \$10.6 million, or we talk about public opinion polls, or we talk about this, I think we have to bring it down to the individual.

Hon. Miss Stephenson: What about the three new federal jets that cost \$30 million?

Mr. Nixon: That's different. They can be converted into ambulances.

Hon. Miss Stephenson: Oh no, they can't. Ours can.

Mr. Nixon: You are just like Her Majesty and the royal yacht Britannia.

Hon. Miss Stephenson: You are entirely wrong.

Mr. Nixon: Baloney. It is to haul you people around.

9:20 p.m.

The Deputy Speaker: Flying back into this stimulating speech; jetting even.

Mr. T. P. Reid: Mr. Speaker, you have, as usual, unerring taste.

I am trying to put the components that make up the \$2.23 billion deficit and the \$2.25 billion that the Treasurer wants to borrow on the record.

Mr. Nixon: You have already gone from A to B.

Mr. T. P. Reid: No, I have not got to B yet.

The Deputy Speaker: Order. We are trying to work this in to Bill 111. Would you tie this in for me?

Mr. T. P. Reid: Mr. Speaker, I guess you came into the chair just after I had explained the relevance. I was telling you or your predecessor about the fact that we are being asked by Bill 111, under the six matters raised, to come up with a total of \$2.25 billion. I think it is important that we understand the principles behind this bill and the components that make up that total. I am sure, Mr. Speaker, as an individual member of this Legislature, you would not want to vote for a bill of such magnitude, a bill which would have such an impact, without understanding how the Treasurer arrived at that figure.

I was a little disappointed that the Treasurer, when the bill was introduced, merely got up and said, "I move second reading of Bill 111." We are talking about \$2.25 billion. That is a rather large sum of money, yet the Treasurer does not feel called upon or accountable or responsible to even give an indication of how much he is going to raise from each one of these matters. He does not feel called upon to be accountable or responsible to say: "This is how we are going to get there. We are going to raise X number of dollars from the Canada pension plan. We are going to raise X number of dollars from Ontario Treasury bills."

Mr. Bradley: There goes the one-time Liberal member, and the one-time NDP member.

Mr. Gordon: Liberal-Labour.

Mr. T. P. Reid: Hear, hear. The member has been a Liberal, he has been a Tory; maybe he would like to take out a membership in the Liberal-Labour Party. It would do him a lot more good than what he is doing.

Hon. Miss Stephenson: There is only one member.

Hon. Mr. Ashe: That will double the membership.

Mr. T. P. Reid: Mr. Speaker, if you will allow me a small digression: The Liberal-Labour Party is the most successful political movement in Canada, if not North America, or as the Premier would say "any other jurisdiction," because we have one member who is in the Senate. We have one member, my brother John, who is a federal member of Parliament who runs under the Liberal-Labour banner. We have my own humble self. I run under the Liberal-Labour banner. We are the only ones, and we are 100 per cent successful. How can one knock success?

Mr. Nixon: His mother is going to be a candidate next time.

Mr. T. P. Reid: Whose mother?

Mr. Nixon: Yours.

Hon. Mr. Ashe: Has his mother got verbal diarrhoea as well?

Mr. Nixon: You will find out.

Mr. T. P. Reid: I would tell the Minister of Revenue (Mr. Ashe), as I told the Minister of Education, after the seven per cent tax on toilet paper, everybody in the province is going to be constipated after these budgetary measures. Nobody can afford diarrhoea in this province after this.

Before I was so rudely interrupted—

The Deputy Speaker: In all seriousness, I am trying to evaluate your discussion as to whether it falls under explanatory note 1, 2, 3, or 4, or under 1-2.

Mr. T. P. Reid: I was pointing out that if one looks under the explanatory notes, borrowing from the Canada pension plan and I refer to page 2-35 of the public accounts under the heading, Nonpublic Debt, the first line is: "Canada Pension Plan Investment Fund." This is where the Treasurer is going to get this money. It was \$9,295,194,000 in 1981.

Now, the next line is: "Canada Pension Plan

Investment Fund re: Ontario Hydro \$500 million." One of the questions I have for the Treasurer is, is any of the \$2.25 billion related to Ontario Hydro? I suspect it is not, because that is raised on what the Treasurer calls the public market. You see, they change the definitions. Under most circumstances the Treasurer would call that private enterprise or the private marketplace; but when it comes to borrowing the money that the people of Ontario are going to have to pay back, all of a sudden it is not the private marketplace any more, it is the public marketplace. That was \$9 billion.

The municipal works assistance program. If you look under number 4 of the explanatory notes you will see federal-provincial-municipal loan programs. If you look under 2-35 of the public accounts 1980-81, the Municipal Works Assistance Act, it is \$44,626,150. That is down, by the way, from \$49,355,638 in 1980.

The Deputy Speaker: Are there any cents in there?

Interjections.

Mr. T. P. Reid: The Treasurer does not worry about that.

The federal-provincial winter capital projects fund was \$43,178,272. Federal-Provincial employment loans—I presume that also refers to note 4 in the bill—were \$13,316,368, which again is down from 1980 when it was \$13,968,728. You get the federal-provincial—all of these funds which this Treasurer is getting his money from and which we hear very little about—the federal-provincial special development loans \$2,782,575, which again is down from 1980.

Now we come to a couple of the biggies that are in the explanatory notes and that we are giving the Treasurer the authority to borrow from. I have figures that I am going to provide in terms of the interest rates paid on these funds, but I will just finish this off.

The teachers' superannuation fund in 1981 was \$4,092,300,000, and every year it goes up, exponentially almost because—I had this discussion the other night with the Minister of Education—every time they get a raise the province matches whatever impact that has on their pensions. In 1980 it was \$3,523,300,000. That is an increase of almost \$500 million in that year. So every year the Treasurer finds more money to borrow out of that fund.

The Ontario Municipal Employees Retirement Fund was \$1,293,025,000—and this is a figure I do not understand, maybe we will get an explanation of it. It is exactly the same figure in

1980 as it was in 1981. Quite frankly, I do not understand that, because if the contributions are based on the salaries that are paid to public servants, and if they got their annual increment, their merit increases and all the rest, I do not see how it could possibly be the same figure.

Hon. Mr. Eaton: It reflects the decrease in the number of civil servants.

Mr. T. P. Reid: No, it was not because of the decrease in civil servants. It could not possibly come out to exactly the same figure under any circumstances.

The Canada Mortgage and Housing Corp. in 1981 provided \$266,041,813, for a total nonpublic debt of \$15,550,464,178.

9:30 p.m.

There is another item there called Publicly Held Debt. This is notes, debentures and so on of the province of Ontario which the Treasurer on occasion likes to say are publicly held and which on other occasions, depending on his audience, he likes to say are privately held. The publicly held debt is \$1,112,373,000.

The "total payable in Canada in Canadian dollars" is \$16,662,837,178. We are a little short of the \$2.25 billion we are asked to vote for in this bill.

We come to section (b), and that is where we see the rest of it. Under section (b), under Debentures and Notes Summary, we get into the fact that we have dollars—public debt held in private hands, if one likes—payable in United States dollars.

I do not have to tell you, Mr. Speaker, as big an investor as you are, what effect the exchange rate is having on the Canadian dollar. It has dropped. It is under 80 cents again vis-à-vis the United States dollar. Every time that goes down, any interest and principal we have to repay costs the Ontario taxpayers more money. This is "payable in New York in United States dollars, publicly held debt"—again publicly held.

The "province of Ontario issue"—those are bonds issued by Ontario—is \$18,138,000. That is not bad, but I can say that a lot of people could live on the difference in the exchange rate in the past three months, on the \$18 million we have to pay back in American funds as opposed to Canadian funds.

I know most members are not interested in these matters. That is perhaps above the ordinary ken of a lot of people but, by God, are they ever important, because somebody has to pay for this. They are paying for it by paying seven per cent on their binders, their rulers, their Big

Macs, their pets and everything else, because the money raised by the government is going to pay for this.

The Minister of Education herself will now be taxed because, as we all know, she is a rose in this House. If one went to buy her, it would now cost seven per cent retail sales tax.

Hon. Miss Stephenson: What have you got in your water glass, Patrick?

Mr. T. P. Reid: I am saving that for when I have finished.

Hon. Mr. Ashe: Is that ever going to happen?

Mr. T. P. Reid: I have left out one of the largest components. As I indicated earlier this week, we have had a lot of questions about this component of nonbudgetary transactions, as the government prefers to call them, which we are dealing with in Bill 111, because we are talking about the amount of money that has to be raised on the credit of the province of Ontario. We owe, payable in New York in United States dollars, "issued on behalf of Ontario Hydro," \$3,690,389,000. We owe a "total payable in New York in United States dollars" of \$3,708,527,000.

I did a quick calculation earlier. Every time the exchange rate of the Canadian dollar falls one per cent vis-à-vis the American dollar, do members know what that costs us?

Mr. Nixon: How much?

Mr. T. P. Reid: It is actually more than \$3 million.

Mr. Ruston: Oh, I can't believe it. It would even hurt the Minister of Transportation and Communications (Mr. Snow) if he had to pay that \$3 million.

Mr. T. P. Reid: Imagine how many roads the Minister of Transportation and Communications could build. I hate to use this word—

The Deputy Speaker: So do not use it.

Mr. T. P. Reid: —but because there are so few interested members on the other side, I will slip it by them.

The Deputy Speaker: Careful.

Mr. T. P. Reid: That is an extremely conservative figure. One may think that is bad, but there is another component to this debt which we are building up and which we are being asked to pay for by way of Bill 111.

Under section (c) on page 2-35 of the public accounts, it says, "Total payable in Frankfurt, Germany, in deutsche marks, \$33,269,183."

The total debentures and notes overall, which each and every taxpayer in Ontario now owes,

let alone those who are to come, totals \$20,404,633,361.

The Deputy Speaker: Where does this tie in to Bill 111?

Mr. T. P. Reid: Your attention may have wandered momentarily, Mr. Speaker.

Hon. Mr. Eaton: You can repeat it all.

Mr. T. P. Reid: Thank you. The member for Middlesex has asked me to repeat it, and I am prepared to do that.

I refer you to section 1 of the bill, Mr. Speaker, in case you have not read it. It reads:

"The Lieutenant Governor in Council"—i.e., the executive, the Treasurer, the Premier—"is hereby authorized to raise from time to time by way of loan in any manner provided by the Financial Administration Act such sum or sums of money as are considered necessary for discharging any indebtedness or obligation of Ontario..."

This money I am talking about has to be paid back by somebody, somewhere, some time. I will read the rest of the first section.

The Deputy Speaker: No, it is not necessary.

Mr. T. P. Reid: I insist, Mr. Speaker, because you asked.

Section 1 continues: "...for making any payments authorized or required by any act to be made out of the consolidated revenue fund or for reimbursing the consolidated revenue fund for any moneys expended for any of such purposes, provided that the principal amount of any securities issued and temporary loans"—temporary loans to pay the interest and principal on the moneys I have just read into the record; and listen to this—"provided that the principal amount of any securities issued and temporary loans raised under the authority of this act shall not exceed in the aggregate \$2.25 billion."

Mr. Speaker, you asked what relevance that had. If you would like to look at the figures I have just given you, I could have the page take this up to you.

9:40 p.m.

We are being asked to raise money to pay for the past debts of the province. We have been complaining in this Legislature about the jet and about Suncor at \$650 million. We are paying \$64 million in interest and very little principal for these things. We are paying \$40 million for advertising to keep this government in power.

Where is the page going with that paper?

The Deputy Speaker: She'll bring it back. She's getting copies.

Mr. T. P. Reid: Oh, you want a copy, Mr. Speaker?

We are also paying for things like Minaki Lodge. Mr. Speaker, you fortunately were in the chair when the Minister of Northern Affairs (Mr. Bernier) promised me, in response to a question I asked, that if Minaki Lodge was not open next spring he and his assistant deputy minister would resign.

I am going to be here to see the Minister of Northern Affairs stand in his place, and say: "Mr. Speaker, there has been another delay. The \$30 million we have spent on Minaki Lodge is not quite enough. We forgot one slight matter: we forgot to put rooms in the lodge."

I have not digressed from the principle of this bill in almost seven hours. We have to borrow the money to pay for this white elephant that the government, to protect its \$500,000 loan to the original Minaki Lodge, is now involved in. By the time it is finished, it is going to cost the taxpayers \$33 million just to protect \$500,000. When I was in economics, that was called sending good money after bad.

Do the honourable members know that this government, these great managers who are in power because they can manage the economy, because they can manage money, tore down and destroyed the very things that gave Minaki Lodge the atmosphere it had? They tore down the original brick fireplaces and the beautiful wooden beams that were built at great expense in the early 1920s and 1930s, when people used to come from all over the world just to see it. They destroyed the ambience, as we say in Atikokan, of the entire lodge. This is no exaggeration. As I stand before—

Mr. Piché: Are you saying that Minaki Lodge is bad for northern Ontario? Is that what you are saying?

Mr. T. P. Reid: I am sorry. I will yield to my friend the member for Cochrane North if he has a comment.

Mr. Piché: No. Explain yourself. You can't be against Minaki Lodge. That's for the north, and you are speaking against it.

The Deputy Speaker: The member for Rainy River has the floor. The member for Cochrane North is making interjections.

Mr. Epp: Mr. Speaker, on a point of privilege: It is only fair and equal that the member for Cochrane North be given an opportunity to say his piece and ask his question. He was very rude

and interrupted the member for Rainy River, and he should be given an opportunity because he wants to have his—

Mr. Piché: To start with, it was not a question. It was a passing comment.

Mr. Epp: There he goes again. He is interrupting a point of order.

The Deputy Speaker: The member for Rainy River.

Mr. Epp: Sorry, Mr. Speaker; he was interrupting me. As you know, I am trying to be very fair about this, and as soon as he started speaking I sat down.

The Deputy Speaker: And now you are going to sit down again, because the member for Rainy River has the floor.

Mr. Bradley: Mr. Speaker, on a point of privilege: The privileges of the Treasurer are being adversely affected tonight by the member for Rainy River. I will tell you why, Mr. Speaker.

The Deputy Speaker: Are you speaking on the Treasurer's behalf?

Mr. Bradley: Yes, on the Treasurer's behalf.

The Deputy Speaker: Is that in the standing orders?

Mr. Bradley: Yes, it is. The Treasurer was scheduled to speak to the St. Catharines Provincial Progressive Conservative Association at a fund-raising dinner tonight, but they had to accept what the Treasurer would consider to be second-best, and that is the Minister of Industry and Trade (Mr. Walker). I consider them to be in a dead heat as far as quality of speakers is concerned.

I want to say to my friend the member for Rainy River that he has destroyed the opportunity of the Treasurer to be greeted by the people of St. Catharines, and the sale of—

The Deputy Speaker: There is no point of privilege.

Hon. Mr. Ashe: As usual, Bradley, you said nothing.

Mr. Piché: Just what you have been saying all night: nothing.

An hon. member: That's just one notch better than the Minister of Revenue.

Mr. Bradley: In responding to the church people of Ontario, your response is charging them for church dinners. I'll tell you what they think of you: not much.

The Deputy Speaker: Amen!

Hon. Mr. Ashe: I hope next week he tries to

swim across instead of driving. It would be appropriate.

The Deputy Speaker: The member for Rainy River: Here I am; talk to me.

Mr. Piché: Tell us how you are going to destroy Minaki Lodge; come on, tell us.

The Deputy Speaker: Never mind the member for Cochrane North.

An hon. member: Wait till we get on to Edwardsburgh; wait until we get on to some of the land assemblies.

Mr. Piché: I can tell you how much money is being spent in the south, but any time you spend money in northern Ontario this group is completely against it.

Mr. Breaugh: Why is the member for Cochrane North filibustering?

Hon. Mr. Norton: Reid's against the north.

Mr. Nixon: Who woke you up over there?

Mr. T. P. Reid: I do not know why the member for Cochrane North is trying to extend this debate, but I am prepared to stay here as long as it takes for me to get through my remarks.

I really want to point out that I cannot think of anybody in northern Ontario who objects to money being spent on the north—but in productive ways that are going to help northern Ontario. Can anyone imagine this great Tory government destroying the very things that made Minaki Lodge what it was, which were, in effect, the fireplaces and the wood, and then being ready to open?

Mr. Piché: I can't believe that. I can't believe it.

Mr. T. P. Reid: I say to the member for Cochrane North, they were ready to open two years before he arrived here, and they made all these announcements. Then some bright person, who I think quit—it must have been Darcy McKeough; he was the only bright person I can remember in a lot of years—said: "What about the bedrooms? We forgot to build the bedrooms."

I have a feeling, because the member for Cochrane North is taking these things very seriously, that it is time to interject just one 10-second note of levity. Can I be permitted to do that?

The Deputy Speaker: Shall we have the agreement of the House?

Hon. Miss Stephenson: No.

Mr. T. P. Reid: We have had it. The Minister of Education (Miss Stephenson) interjected. That is our note of levity for the evening.

On Bill 111—part 2:

The net cash requirements are high,

But Frank Miller continues to sigh;

For \$2.2 billion, they will tax 8.6 million,

For those puppies and that large pizza pie.

Mr. Piché: The member for Rainy River is repeating himself. He said that last Tuesday.

Mr. T. P. Reid: No. That is a new one.

Mr. Speaker, you asked probably the most pertinent question of the evening.

Mr. Piché: Have respect for the Legislature, please.

Mr. T. P. Reid: The member can call me the northern songster. It is better than what he has been calling me.

I have here the status of pension fund borrowings by the government of Ontario. By this bill, we are authorizing the Treasurer to borrow from the pension plans, particularly the Canada pension plan and the teachers' superannuation fund. If one looks at this, they have been raiding for years. As I said earlier, I am going to tell the members at what interest rate they have been borrowing these funds to pay for their wasteful and unproductive expenditures over the years.

It is strange, and they have got away with it to some extent, that they have convinced the public of Ontario that these are matters which have suddenly come upon us, that it is only because of the present economic situation that they find themselves in a position where they have to bring a bill to raise \$2.25 billion.

9:50 p.m.

I have been here since 1967. The member for Brant-Oxford-Norfolk, Haldimand and other places has been here so long he has the longest name in the place. He can tell members that these unproductive expenditures, these wasteful expenditures, waste of taxpayers' funds, have been going on for years and years. It is only now, when the economy is bad, that we are reaping the harvest of the mistakes of past Conservative administrations and of the present one.

Under the bill we are going to borrow from the Canada pension plan and from the teachers' superannuation fund. From the estimate of March 31, 1982, we are looking at something like \$9,895,000,000 in the CPP. Under the teachers' superannuation fund we are looking at \$4,754,000,000. Under OMERS we are looking

at \$1,293,000,000 for a total of \$15,942,000,000 of total nonpublic borrowing.

Mr. Nixon: Hydro isn't even in that.

Mr. T. P. Reid: Hydro is not even a component of that.

The frightening thing about all of this is the unfunded liability. I know all my colleagues in this party understand unfunded liability. I know all of the members next to me do, but I know the member for Cochrane North, among others, does not understand it, so I want to tell him that unfunded liability is simply that figure we owe for which there is no sinking fund or any provision for payment under the budget of Ontario.

What that means simply is that every year the taxpayers of Ontario have to come up with the money to pay that portion of the unfunded liability which is due and payable on the notes, bonds and borrowing of the province for this year.

I am trying to make this as simple as I can so the members for Cochrane North and Brantford (Mr. Gillies) can understand it. I know I am not doing a very good job because I cannot get it down to those simple terms. But I am hopeful and I know the people of Ontario are going to start understanding how badly this administration has put them in debt. They will start to understand why they now have to pay seven per cent on their canaries and seven per cent on their Big Macs, seven per cent on their Wendy burgers and seven per cent when they have somebody come in and fix their stove or fridge. They now have to pay seven per cent on those things.

Mr. G. I. Miller: And the seven per cent service charge on the service clubs.

Mr. T. P. Reid: That is the interesting thing. Wait until the Rotarians have to start paying seven per cent on their meals every Thursday.

These figures are a little out of date, but they are the most up-to-date figures we find for the provincial debt and the moneys owing.

The teachers' superannuation fund, \$1.96 billion—that is the evaluation as of December 31, 1979. These are the cumulative interest payments up to March 31, 1982, in millions of dollars: the CPP is \$5,364,500,000; the teachers' superannuation fund is \$2,013,400,000; the Ontario municipal employees retirement system \$814.5 million; the public service superannuation fund is \$1,126,500,000. Then there is something—one of those miscellaneous matters

—which is a mere \$156.4 million. It comes to a total—

Mr. Nixon: That is not the Legislative Assembly?

Mr. T. P. Reid: No, it is not.

It comes to a total of \$9,475,300,000.

We really think these matters need more of a public hearing than just in this chamber. We have been through these debates before and we know how much attention is paid to them by the press or by the members here—

Hon. Mr. Ashe: Nobody pays attention to anyone who talks that long.

Mr. T. P. Reid: I have to agree with the Minister of Revenue because the Treasurer's budget this year was one of the shortest I have ever heard. Everybody in Ontario paid attention to it because he gave a slap in the teeth to every taxpayer in the province with that budget.

We are here to focus as much attention as we possibly can on these budgetary provisions. We want to give the people of Ontario as much time to understand the impact of this budget on their everyday lives as we possibly can. That is our function, and we also feel very strongly that this is the worst budget we have seen in a lot of years. We know—

Hon. Mr. Eaton: You know better.

Mr. T. P. Reid: No. I have been here a lot of years. I have seen some bad budgets. I remember John White and his sweater tax. He was going to tax energy. Of course he had never been to northern Ontario. Maybe the member for Cochrane North who was not here then, would have been a great supporter of John White who brought in the tax on energy. When we said, "But in northern Ontario the winters are longer and colder than anywhere else," his response was: "Buy a sweater. Wear two sweaters at night." We thought that was, if I may reverse an analogy, the epitome of lowness.

Interjection.

Mr. T. P. Reid: It is too late, obviously, for these literary allusions.

We thought that was about as bad as a budget could get. But I will say this for John White: He, the then Treasurer, at least rescinded that budgetary provision because the government realized the people of Ontario were not going to stand for those kinds of provisions.

That is what we on this side are all about. We know what we say and do in this chamber is not going to change the government's mind. We know that since March 19, 1981, we are faced

with what the Premier somewhat grandiloquently refers to as "the realities of March 1981." This means, in the Premier's and the Treasurer's terms:

"We do not have to listen to anybody; we do not have to take anybody else's opinion into account; we can act like a dictatorship; we can trample on the rights and privileges of the Legislature; we do not have to listen to the citizens of Ontario; we will do what we bloody well please; and we are not going to give a public forum to anyone else.

"We know there are so many things going on in the world today—the Falkland Islands crisis, the problems in the Middle East—that any of these budgetary measures will, maybe, find themselves on page 34 of the *Globe and Mail*, probably not in the *Star* at all, and probably beside the *Sunshine Girl* in the *Sun*. And there will be a 30-second wonder on the television newscast."

Mr. Speaker, we would be derelict in our duty if we did not give our best to bring attention to this budget and its provisions and the fact that the people of Ontario are being asked by way of Bill 111 to provide the Treasurer with the authority to borrow \$2.25 billion for what we consider in many cases extremely wasteful, unproductive and mismanaged resources. That is what we are here for.

10 p.m.

We are hopeful that my colleagues and I on this side and, I presume, those on my left, the slow members of the Liberal-Labour Party, will support us in this endeavour. No reaction?

Mr. McClellan: You are the last Liberal left in western Canada.

Mr. T. P. Reid: Yes. That is why I am laughing: Liberal-Labour.

The Acting Speaker: On Bill 111.

Mr. T. P. Reid: They will support us on it.

Mr. Speaker, I think this is very important. I go back to the fact that the Treasurer made no opening remarks about the fact that he was asking authority to borrow \$2.25 billion. He did not tell us exactly how much he was going to get from these various funds, and he did not say anything about the interest rate he was going to borrow at.

I am now going to quote figures that will indicate the interest the Treasurer is paying on these borrowed funds in order to indicate in the best way I can why he is borrowing \$2.25 billion, why he is using these funds to borrow it from and why he is getting it so relatively cheaply that

it leads to sloppiness, to incompetence and almost to pure disdain for the taxpayers' dollars. This is because he is able to get these funds without having to borrow on what he refers to as the public market one day and the private market on the other. And he is borrowing this money to pay for all of his mistakes and those of past administrations that go back to when the present Premier took that office.

I am going to quote those figures now. I will give first of all the borrowings from the Canada pension plan, which members will find in number 1 of the explanatory notes in this bill and in subsection 2 of the bill. The net borrowings in 1977-78 were \$851 million, in 1978-79 they were \$916 million and in 1979-80 they were \$988 million. We hit the big time in 1980-81, when we hit \$1,038,000,000; and the projection now for 1981-82 is \$1,269,000,000.

To give the complete picture, in 1980-81 and 1981-82 the province transferred \$500 million of Canada pension funds to—guess who?—Ontario Hydro. To be fair, Ontario Hydro issued \$500 in bonds and gave them back to the province of Ontario.

Mr. Nixon: Five hundred million dollars.

Mr. T. P. Reid: Yes, \$500 million. So by some sort of sleight of hand and juggling and—if I can go back to a phrase I used the other evening—smoke and mirrors, we come to the conclusion that it did not cost the people of the province anything. We lent \$500 million to Ontario Hydro and Hydro gave us \$500 million back in bonds.

I am not going to get into a discussion of the fact that there is only one person who is paying either taxes or bills, whichever you prefer, but I can say that the consumers of Ontario are paying for the cost of Ontario Hydro—which we have heard this week, last week and even before that, is out of control. The taxpayers are paying for it one way or the other.

I promised to say this, and I am getting to it now: The total debentures outstanding as of March 31, for 1981-82, are \$11,064,000,000. In 1977-78, which was just the year before the current Treasurer assumed the position, they were \$6,584,000,000. So in that five-year period the total number of debentures outstanding was a little less than doubled; it increased by about 47 per cent.

Here comes the significant part—this is what we are not told by the Treasurer, who is asking us for authority to borrow all this money: The average interest rate in 1977-78 was 9.05 per cent on \$6 billion plus; in 1978-79 it was 9.61 per

cent on \$7.7 billion; in 1979-80 the average interest rate was 10.75 per cent on \$8.75 billion; in 1980-81 we paid an average interest rate of 12.73 per cent on \$9.79 billion and in 1981-82 we paid in the fiscal year an average interest rate of 15.56 per cent on \$11,064,000,000.

The point of all of this is that under Bill 111 we are asked to give authority to the Treasurer to borrow \$2.25 billion. We have not been told exactly what amount from each fund he is going to get, or what interest rate he is going to pay, but by giving him authority to borrow this money under Bill 111, we would be accomplices. This party and other members, if they agreed, would be accomplices in the kind of waste, incompetence and mismanagement that we have seen in the past.

Those funds the government is borrowing from are the pension funds of the people of Ontario who are taxpayers. They are the ones who are going to have to pay the seven per cent retail sales tax to have their refrigerators fixed, their cars fixed, their lawnmowers fixed, their blenders, etc., fixed. They are going to have to pay for that. If they happen to be anyone who is also contributing to these pension plans they are going to be paying more, in the sense that they are going to be getting a lesser rate of return than if this money was lent out on what the Treasurer, in this regard, is happy to call the "public market."

I find that a complete misnomer. If the members were contributing to the Ontario Secondary School Teachers' Federation, the Canada pension plan—which members of this Legislature cannot do—

Hon. F. S. Miller: The members can now.

Mr. Nixon: What can we do?

Mr. T. P. Reid: Can members contribute to the CPP?

Mr. Kerrio: Not if the government is going to use the money. I am not; no way.

Mr. T. P. Reid: When did that happen?

Mr. Nixon: No, you cannot. John Roberts opted us out.

The Acting Speaker: Order.

Mr. T. P. Reid: The Treasurer has seen fit to make an interjection, the first one this evening and he is wrong. Members of the Legislature cannot make contributions to the CPP—unless there has been a change.

Interjections.

Mr. T. P. Reid: Maybe somebody knows something we do not know. But, certainly, as of

our last caucus meeting we did not know we could contribute to the CPP.

The fact remains, as I said, one is going to pay twice—

Mr. Nixon: It is in the process.

10:10 p.m.

Mr. T. P. Reid: I find it disturbing news if I am going to be allowed to do that. That means I would be subsidizing the Treasurer. I am paying taxes to pay for his mismanagement. Now I will get a lower interest rate on the funds that he is taking out of my pension plan.

Mr. Nixon: John Roberts wanted to see the CPP fail. He didn't want Judy LaMarsh's initiative to succeed. He kept us out.

Mr. T. P. Reid: Because this is a fairly esoteric and complicated business, it would be helpful if I explained to you, Mr. Speaker, computer expert that you are, that even with a computer you would have trouble following the machinations of the Treasurer on this.

I want to explain the interest rates on borrowed CPP funds. The interest rate charged on CPP debentures is a weighted average of yields for the first three days of a given month for government of Canada bonds with 20 or more years to maturity.

There is also a CPP operating fund equal to three months' benefits. Interest earnings of the operating fund are calculated on a daily basis using the three-month Treasury bill yield during the month less one eighth of one per cent. I know that explains perfectly what is going on.

The allocation of the CPP surpluses is that excess CPP revenues are lent—that is where Bill 111 comes in—

Mr. Nixon: Except that it will never get the money back.

Mr. T. P. Reid: —are lent to the provinces on a prorated basis which is a function of their 10-year contributory history. In return, the provinces issue nonmarketable—that is what I would have called "private" but the Treasurer calls "public"—nontransferable, nonassignable, fixed-term securities, written for terms not to exceed 20 years.

In other words, as simply as I can say it, the CPP contributions of the people of the province are lent back to the province, which uses them and has used them in my term here to pay, to a large extent, the deficits of the province at a lesser rate, I believe, than could be found on the market of the day.

The Treasurer and his predecessors have had a large pool of money available to them to

finance their boondoggles of one kind or another. This is the frightening thing; it really bears out the theory that governments have a stake in inflation.

The CPP contribution and the payout about 1982, 1983, 1984, somewhere in that range, should have equalled and balanced out. In other words, the money raised by the people of the province who paid into the Canada pension plan should have equalled the amount of money that the province was borrowing and the interest the province owed in those funds. That is, the money that we would be able to get out of that fund should equal the interest that we had to pay back on the funds already borrowed from the CPP. It may sound complicated, but it is relatively simple.

What has saved this Treasurer for the last two or three years was one simple fact: it is called inflation. Had inflation not occurred, the funds in the CPP, the borrowings, would have equalled the interest payable. Because of inflation, obviously the amount of money that was paid into that fund has expanded. It was higher than the projections of both the federal and the provincial governments, which has given this government—and I do not mind saying the federal government—a stake in inflation.

One wonders sometimes, and I say this very seriously to all members in this House, if governments are not the greatest recipients in the country of the benefits of inflation because as inflation increases, certainly it increases the costs and expenditures, but it also inflates their revenue.

It is interesting that in this budget of the Treasurer, and certainly in his last two or three budgets, to a large extent he counted on that. As long as the economy was expanding, as long as incomes were rising by 10 or 15 per cent, obviously their tax revenues were increasing by at least that rate, so they had money to meet their commitments. I have no hesitancy in saying the federal government was probably operating on this basis as well.

Mr. Nixon: How are these people going to pay back these loans?

Mr. T. P. Reid: That is what one wonders. With a civil service of 82,000, with a Ministry of Treasury and Economics of 400, which used to have some of the best brains among the civil servants in Canada—

Mr. Nixon: Now they are just hiring public relations officers.

Mr. T. P. Reid: They used to have one of the best Treasurers.

They have banks and banks of computers to figure these things out, they have access to the best brains in the world, and we wonder how they could find themselves in the position and situation that they find themselves in today. I really, honestly wonder. I cannot understand them.

The Treasurer found himself and the government in this quandary. They found themselves with a few ill-chosen and wrong-headed, misplaced priorities, such as buying oil companies at \$650 million, and \$325 million of Canadian funds went immediately to Radnor, Pennsylvania, including \$64 million in interest payments. It is going to cost the taxpayers of Ontario \$48 million or \$49 million in interest payments for at least, based on the most optimistic projections of the Treasurer and the Minister of Energy (Mr. Welch), 15 years.

He found himself with a great shortage of funds and a large deficit which he now has to finance by the borrowings that he is asking this House to authorize by way of Bill 111. It is not just Suncor that put him in this situation; it has been mismanagement over the years and the gradual buildup of how that has happened, and I have just given the House those figures.

I just gave the figures of the borrowings from the Canada pension plan and the interest rates that we have had in relation to Bill 111. That was one of the components of the bill. Now I turn to the Ontario borrowings from the teachers' superannuation fund.

Mr. Shymko: Let's hear it.

Mr. T. P. Reid: I thank the member for High Park-Swansea (Mr. Shymko). I intend to give all of it to him to add to his education.

Mr. Peterson: When are you going to get into the meat of your speech?

Mr. T. P. Reid: My leader asks when am I going to get to the meat of my speech. I am rapidly approaching the end of my prologue and I intend to really get into the nitty-gritty of our objections to this bill perhaps at some later date.

I have already put on the record the funds borrowed and the interest rate in relation to the borrowing from the Canada pension plan. I want to talk now about the Ontario borrowings from the teachers' superannuation fund. Which ever side we sit on as members, almost all of us have had approaches and briefs and so on from

the teachers' superannuation fund as to the rate of interest that has been paid on these funds.

10:20 p.m.

In borrowing from the teachers' superannuation fund, and I just want to give some historical background, the amount moved from \$488 million in 1977-78 through 1978-79 to \$429 million; through 1979-80 to \$537 million; through 1980-81 to \$569 million; through 1981-82 to \$670 million, and that is an interim estimate because we do not know for sure at this time what the final figure is. The total debentures outstanding as of December 31 from the teachers' superannuation fund were in 1977-78, \$2.151 billion; in 1978-79, \$2.685 billion; in 1979-80, \$3.205 billion; in 1980-81, \$3.796 billion, and in 1981-82, \$4.407 billion.

This is a question I hope the Treasurer will answer. Again, we want to know what the interest rate is. If we look at the interest rate for 1977-78, it is 9.82 per cent; for 1978-79 it is 9.51 per cent; for 1979-80 it is 9.83 per cent; for 1980-81 it is 11.05 per cent, and for 1981-82 it is 13.34 per cent. I cannot think of any small home owner, or large home owner for that matter, any businessman or any farmer who would not jump at having an interest rate of 13.34 per cent. When the bank rate—and I am sorry I did not hear what the bank rate was today; maybe the parliamentary assistant to the Treasurer can tell us.

Mr. Jones: You know the difference between a government borrowing and the market.

Mr. T. P. Reid: For a Conservative that is a very strange statement. He differentiates between government borrowing and business borrowing. I always thought a Conservative thought government was business. We certainly heard from the Treasurer in his budget that he really thought that. Is the parliamentary assistant really saying to me or to the House that there is a great deal of difference between the way the government operates and the way private business does? I agree, I think that is what he is trying to say, because if I could borrow money at that interest rate, I might go out and make a lot of ridiculous expenditures too.

In 1981-82, out of the teachers' superannuation fund, the government is paying something like an average interest rate of 13.34 per cent when the average interest rate paid by small businessmen, by home owners if they have a mortgage, by farmers—

Mr. Jones: You can't compare it.

Mr. T. P. Reid: Why can't we compare it? I guess the member is right, we cannot compare it. If the government had to pay the funds that it raised on the public market, as the Treasurer is fond of saying, I think it would have been a lot more careful in the moneys and the expenditures it made. If it is borrowing at five or six per cent less than the market is charging, it is found money. The government can say, "We can afford all these other things because we do not have to pay the going rate of interest." It is that simple.

Mr. Jones: That is why he has always preferred that to—

Mr. T. P. Reid: I know, but—

Mr. Jones: —larger borrowing. That is the money—

Mr. T. P. Reid: That's right, but that is our whole point. The Treasurer and his predecessors have always preferred getting the money out of the Canada pension plan and the teachers' superannuation fund. But is that fair, particularly to the teachers who are not getting market value, who are not having their funds invested at the best possible rate of interest, who are certainly not making any kind of capital gain or market interest rate out of their savings? That is not fair.

Sure, the government is saying that we can save five or six per cent by getting this money out of these funds. So it does not make a lot of economic sense. I would have thought the parliamentary assistant, being a good Conservative, would be the first one to stand in his place and say, "Mr. Speaker, if you give somebody something for nothing or for less than its value in the marketplace, he is not going to take it very reasonably; he is not going to appreciate it, and he is going to squander the money." That is what I would have thought he would say, and I think he is probably right, if I can put words in his mouth.

How about the teachers' superannuation fund?

Mr. Speaker: Back to Bill 111, please.

Mr. T. P. Reid: Well, Mr. Speaker, I am right on that, because we object to the fact that the funds the Treasurer is going to borrow under the authority of this bill, he is going to get more cheaply than anybody else can get them in the marketplace. The parliamentary assistant and the Treasurer are getting people twice. The people who are contributing, particularly to the teachers' superannuation fund, are those who are also getting less interest paid into their fund than they would under a market system of interest.

The parliamentary assistant will probably say, "Yes, but we are guaranteeing their pension fund." That is a sore point with me and with a lot of other people, and I raised that on Tuesday night. I think this is something that has to be dealt with seriously by this government. We are allowing each local and regional school board to give the teachers in their area a raise in salary, on which their pension is based, and automatically their contributions to the pension fund, and therefore their benefits, go up. And we are a third party that is saying, "Fine, we are going to pay it." I find that a complete abnegation of fiscal responsibility. I do not know how this government could have got itself into that position and allowed it to go on for so long.

Under the authority of Bill 111 we are going to be raising \$2.25 billion. The government makes investments and issues bonds and so on in regard to the Canada pension fund. I have a table here which indicates that to December 1981, Ontario has been—

There is a lot of noise here, Mr. Speaker. I am having trouble concentrating.

Interjections.

Mr. T. P. Reid: These are very complicated matters, and I am trying, for my friends in the back row, to make them as simple as possible.

If you look at the bonds or the securities that have been guaranteed, Ontario is well out ahead of the rest of the provinces. We know, of course, that Quebec has its own pension plan, so it is not a large borrower, obviously, from the Canada pension plan. But Ontario has guaranteed outstanding bonds of \$10,788,800,000.

If you look at the scale, Alberta has \$2.065 billion and British Columbia has \$2.975 billion, and they are about the closest of anybody to Ontario. Obviously, Ontario has been the largest borrower from the Canada pension plan under the authority of acts such as this in the past.

Of course, we realize that we are also the province with the largest population. Still, we object to the fact that the province has been taking advantage of what we consider to be easy money to finance some of their crazy projects.

10:30 p.m.

Mr. Nixon: The payback is now equivalent to everything they borrowed.

Mr. T. P. Reid: That is right. We are asked to give authority to the Treasurer to raise this money. I want to read into the record what I call, "the Miller hit list." Under this budget there are about 20 groups in our society that are hit by

these taxes of whichever kind the Treasurer is imposing and for which he wants us to give him authority to cover the expenditures of his budget.

This is the "Frank Miller top 20." The restaurant and food service industry, including restaurants, drive-in restaurants, dining rooms, cafeterias including schools and universities—

Mr. Speaker: I direct the member's attention to the clock.

Mr. T. P. Reid: Tempus fugit when one is having fun.

On motion by Mr. T. P. Reid, the debate was adjourned.

The House adjourned at 10:32 p.m.

ERRATUM

No.	Page	Column	Line	Should read:
67	2429	2	20	sure he agreed that the members of the Legislature should be taken on a tour of the north so that they may better acquaint themselves with the problems of the north.

CONTENTS

Thursday, June 10, 1982

Ontario Loan Act, Bill 111, Mr. F. S. Miller, Mr. T. P. Reid, adjourned. 2553

Other business

Adjournment. 2576

Erratum. 2576

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L., Minister of Revenue (Durham West PC)

Bradley, J. J. (St. Catharines L)

Breaugh, M. J. (Oshawa NDP)

Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)

Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)

Eaton, Hon. R. G., Minister without Portfolio (Middlesex PC)

Elston, M. J. (Huron-Bruce L)

Epp, H. A. (Waterloo North L)

Foulds, J. F. (Port Arthur NDP)

Gillies, P. A. (Brantford PC)

Gordon, J. K. (Sudbury PC)

Kerrio, V. G. (Niagara Falls L)

Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)

Miller, G. I. (Haldimand-Norfolk L)

Nixon, R. F. (Brant-Oxford-Norfolk L)

Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)

Peterson, D. R. (London Centre L)

Piché, R. L. (Cochrane North PC)

Reid, T. P. (Rainy River L-Lab.)

Robinson, A. M. (Scarborough-Ellesmere PC)

Rotenberg, D. (Wilson Heights PC)

Ruston, R. F. (Essex North L)

Shymko, Y. R. (High Park-Swansea PC)

Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)

Turner, Hon. J. M., Speaker (Peterborough PC)





Ontario

LEGISLATIVE ASSEMBLY

No. 72

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Friday, June 11, 1982

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Friday, June 11, 1982

The House met at 10 a.m.

Prayers.

VISITORS

Mr. Wildman: Mr. Speaker, on a point of privilege: I know it is normally not done, but I hope you will understand and acquiesce in my asking the members of the House to welcome, with me, the students from the smallest school in Ontario, which is in Oba. All three students are here today.

STATEMENTS BY THE MINISTRY

TAX ON NONPROFIT ORGANIZATIONS

Hon. Mr. Ashe: Mr. Speaker, as members are aware, certain measures relating to the taxation of prepared foods and transient accommodation announced by my colleague the Treasurer (Mr. F. S. Miller) in his budget of May 13, 1982, are scheduled to take effect on Monday, June 14, 1982.

Mr. T. P. Reid: Blue Monday.

Hon. Mr. Ashe: No. It has been blue for days listening to the rhetoric coming out of my honourable friend.

At this point, I would like to explain how these measures will be applied to summer camps operated, and meals sold by, religious, charitable and benevolent organizations.

Prepared meals: Previously, meals sold by these organizations were generally exempt from retail sales tax both because of an exemption for occasional events involving total taxable sales up to \$50,000 and because the price of the meals did not exceed the \$6 threshold.

While the new budget measures now involve the taxation of all meals regardless of price, my ministry will be producing regulations to ensure that the tax exemptions traditionally enjoyed by these organizations will continue in recognition of their important social and community services.

Mr. Foulds: That particular case is pretty good, isn't it?

Mr. T. P. Reid: What about all the rest of it?

Mr. Speaker: Order.

Hon. Mr. Ashe: The opposition members have not scored a thing, as usual. This is a

government, with feeling and heart, that develops regulations that are needed.

Mr. Speaker: Proceed, please.

Hon. Mr. Ashe: Thank you, Mr. Speaker.

Mr. T. P. Reid: Confession is good for the soul.

Hon. Mr. Ashe: You don't know what I'm going to say yet.

Mr. McClellan: I think we can guess.

Mr. Foulds: Mea culpa, mea culpa.

Hon. Mr. Ashe: If the honourable members would listen, I think we might accomplish something.

The new regulations under the Retail Sales Tax Act will reflect the following.

No tax will be payable on the purchase or sale of prepared food bought or sold by such organizations for up to and including four occasional events per year.

The \$50,000 taxable sales limit for the four events will be raised to \$75,000.

Tax will still have to be paid on taxable items, other than prepared food, that an organization buys for sale at any of the four events.

The exemption will not apply to an organization holding regularly scheduled weekly or monthly events.

The exemption will not apply to prepared food where the organization is catering, such as weddings, club dinners, etc.

Mr. T. P. Reid: Now you're even taxing weddings. You're taxing motherhood.

An hon. member: Is this a wedding tax?

Hon. Mr. Ashe: Mr. Speaker, it is too bad the honourable members opposite do not want to go along the right track today and, in fact, are not listening.

The exemption will not apply when the organization is selling prepared food in direct competition with commercial food operators on the same site, as they do at fairs and exhibitions, for example.

Accommodation at summer camps: Similarly, I wish to inform members that the new budget tax provision on accommodation and prepared food will not apply to summer camps operated by religious, charitable or benevolent organizations—

Mr. Ruston: The opposition is starting to win. Start again.

Mr. T. P. Reid: Does the Albany Club operate summer camps?

Mr. Foulds: This is known as the AM-FM budget: Allan MacEachen, Frank Miller—AM-FM.

Mr. Nixon: Does the minister want to read that again?

Hon. Mr. Ashe: Mr. Speaker, I had better read it again, because the sentence was not finished with all of the kerfuffle over there. I will start that paragraph, at least, at the beginning.

Accommodation at summer camps: Similarly, I wish to inform members that the new budget tax provision on accommodation and prepared food will not apply to summer camps operated by religious, charitable and benevolent organizations for disadvantaged people, and which are not in direct competition with commercial camps.

In closing, the honourable members should note that these changes give recognition to the very special nature of the operations of religious, charitable and benevolent organizations whose role is so important to our society.

In line with established practice, my ministry will be issuing a detailed tax guide following publication of the enabling regulations. In the meantime, we are today issuing a circular to further explain these measures. This information circular is being mailed to the affected organizations as well as to members of this House and their constituency offices to assist them in dealing with any inquiries they may receive.

IMMUNIZATION OF SCHOOL PUPILS BILL

Hon. Mr. Grossman: Mr. Speaker, later today we will take another major step in the area of preventive medicine. After question period, I will introduce legislation to protect our school children and their families from the spread of dangerous diseases.

We intend to eliminate, or virtually eliminate, measles, rubella (or German measles), diphtheria, tetanus, polio and mumps. These all can be controlled safely through immunization.

Under the legislation, all Ontario pupils must provide proof of immunization or acquire the necessary immunization. There are exceptions to this provision on medical grounds or because of the religious beliefs of the parents.

The legislation will come into effect in September of this year. While there will not be total

coverage of the program by September, we expect that the immunization of school children will be well established within the first few months of the program.

The members will appreciate that the first priority of our program must be towards the youngest and most vulnerable students entering school for the first time. But, immediately after, the immunization program will be directed to the balance of the students.

10:10 a.m.

The legislation authorizes the medical officer of health to order the suspension from school of any pupil who is not in the process of being immunized and who is not exempt. In addition, during an outbreak or threatened outbreak of any of the designated diseases, the medical officer of health may order the exclusion of any pupil who has not been completely immunized and is not exempt because of natural immunity.

Indeed, we are asking the MOHs to make sure that all the students in the school system are immunized as soon as is humanly possible and, as they are in the position to judge best the conditions in their own communities, they can exercise the necessary discretion in any enforcement question.

This initiative is a logical next step in the continuing efforts of the public health system to prevent the spread of communicable diseases. This past Tuesday I introduced the Health Protection Act, which will strengthen the responsibility of the medical officers of health to ensure that greater levels of immunization are achieved in the community and that each health unit provides immunization services and information through regular clinics and links with family doctors.

It is a tribute to the efforts of the past that an estimated 80 per cent of Ontario's children now are immunized through the voluntary system in use for so many years.

None the less, the six diseases in question struck 11,135 residents of all ages of Ontario in 1980. By far the highest incidence was of measles, the highest in a decade. Even though, during that one year, we distributed nearly half a million doses of vaccine against measles, there were 8,253 cases of measles reported throughout the province. In 1978, there were only 2,828 cases.

Despite the fact that measles outbreaks occur about every three to five years, this dramatic increase in the incidence of measles has shown that we cannot contain the disease with existing

immunization programs based only on advocacy, advertising and promotion.

A society like ours, which cares about the continued health of its families and the protection of its children, cannot tolerate outbreaks of these six diseases, particularly when we have proven, safe and effective vaccines against them.

I might point out that measles, where we expect to make the most substantial impact, is not harmless, but a potentialcrippler which can cause brain damage, retardation and sometimes death.

The United States has a universal immunization program against measles: in 1980, the incidence of that disease in the United States was 15 times lower than in Ontario. There can be no more solid proof of such a program's validity.

An immunization program of this kind has been recommended by such knowledgeable and concerned groups as the Canadian Paediatric Society, the National Advisory Committee on Immunization, the Provincial Advisory Committee on Immunization Procedures, the Society of Medical Officers of Health in Ontario and the Association of Ontario Boards of Health.

Officials of my ministry, along with officials of the Ministry of Education, have been meeting regularly on this matter, and my colleague the Minister of Education, if she is here later this morning, will second the introduction of this bill, which she has so strongly advocated.

As Minister of Health, I believe the people of this province, and particularly the parents of Ontario, will support the concern and the common sense behind this step towards better public health and protection. I am convinced that within a few short years a universal immunization program will spell the disappearance of these diseases among our children.

Ms. Copp: Mr. Speaker, on a point of order: I have a complaint. If the Minister of Education is not here and not able to second the bill, I think it would be appropriate that it be seconded by the person who originally introduced the private members' bill on immunization last year, the member for London North (Mr. Van Horne). He will be here.

Mr. Speaker: That is not a point of order.

Ms. Copp: You've got to give him some credit, though; let's face it.

Mr. Speaker: The member is out of order.

SANYO MACHINE WORKS

Hon. Mr. Walker: Mr. Speaker, I would like

to make an announcement about the establishment of a Japanese plant in southwestern Ontario. It is a great pleasure for me to announce to the Legislature today that Sanyo Machine Works Ltd. of Japan has decided to locate its first overseas plant in the west-central Ontario town of Elmira.

Sanyo has purchased a 20,000-square-foot plant on Industrial Drive in Elmira which it will use initially to service equipment manufactured in its Japanese plants and sold in the North American market. It is also the company's intention to establish design facilities at the Elmira plant within two years and to start assembling equipment built from parts manufactured both in Japan and by subcontractors here in Ontario.

Sanyo has three plants in Japan producing automatic assembly machines, precise measuring and inspection machines, automatic welding machines and press-line automatic equipment for customers in several industries. Until now, it has had no other plants anywhere else in the world.

It would be appropriate for me to acknowledge the role played by my colleague the Chairman of Management Board of Cabinet (Mr. McCague), who was instrumental in this important decision by Sanyo. In fact, he met with officials of the company in Tokyo last October, and it can be said he landed the deal.

The significance of this move by a major Japanese industrial concern cannot be stressed too strongly. As both the Premier and I have been saying, repeatedly, the level of imports generally from Japan is too high and we consider it imperative for the Japanese to invest more in plants here or to increase their Canadian sourcing of parts for manufactured goods sold here. Thus, we hope this decision by Sanyo is the beginning of a trend of recognition by the Japanese of our really serious concerns about achieving a more equitable trade balance.

There is another important way to view Sanyo's decision, and that is as a vote of confidence in this province as a place to invest and do business. The reason that Sanyo chose Ontario for its first overseas expansion is that it wanted to be at the geographic and industrial heart of North America and as close as possible to the major markets of the United States. Ontario, in addition to having a large domestic market for consumer goods, is within a day's drive of three quarters of the continental United States and a potential 106 million consumers.

Sanyo also finds Ontario politically and economically stable and with a large, well-trained work force. No small part of the credit for alerting Sanyo to these virtues of Ontario is due to officials of my ministry, both here and in Japan, who have been encouraging and assisting the company over several years.

While initial employment at the Elmira plant will be quite small, starting with nine employees, it is the company's intention—

Mr. Foulds: How many? Nine whole jobs? Wow!

Mr. T. P. Reid: We'll take them in Rainy River district. We'll have them.

Hon. Mr. Walker: Mr. Speaker, the Liberal Party and the New Democratic Party may not consider those jobs important to Elmira, but Elmira does.

It is the company's intention to expand quickly within three years to about 26 employees, of whom 20 will be engineers. Indeed, the company has already moved forward in this regard and has employed an engineer from Waterloo, who is currently being trained by the company in Japan.

However, the main benefit of Sanyo's presence lies not in immediate jobs created but in the employment it will provide to other industries as the company moves into subcontracting in Ontario for component supplies. My ministry estimates that each job in a new plant subcontracting in this manner will support 15 other people in the community.

Elmira is ideal for the company because of the availability of an existing building and its proximity to the University of Waterloo, an acknowledged centre of expertise in research, engineering and computer science. As well, it is close to the computer-aided design and computer-aided manufacturing technology centre, which my ministry is setting up in Cambridge with funding from the Board of Industrial Leadership and Development.

Sanyo joins a growing list of Japanese businesses which have chosen Ontario for their Canadian headquarters. Many, like Sanyo, started out as distribution centres but have gone on to expand and provide hundreds of jobs in our work force.

10:20 a.m.

Mr. Foulds: On a point of privilege, Mr. Speaker: It does indeed illustrate the sorry state of the manufacturing sector when the Ministry of Industry and Trade makes a ministerial statement for nine jobs—

Mr. Speaker: Order. The member will resume his seat, please.

Mr. Peterson: Mr. Speaker, on that same point—

Mr. Speaker: That is not a point of privilege. You are out of order.

Mr. Peterson: It is my understanding—

Mr. Speaker: There is no point of privilege.

Mr. Peterson: There must be a point somewhere.

Mr. Speaker: No, there is not. You are out of order.

HYDRO EXPORTS

Hon. Mr. Welch: Mr. Speaker, Ontario Hydro announced earlier this morning that General Public Utilities is seeking permission from its state utilities board to cancel its participation with Ontario Hydro in the proposed electricity export and Lake Erie cable project.

The reasons given by GPU for the termination of this project arise from its financial and market situation. It has indicated that the financing of the project at the previous cost estimate was going to be difficult in the current economic circumstances. I am advised that when the bids for installing the cable in the lake came in significantly higher than expected, GPU informed the New Jersey Board of Public Utilities of this situation and yesterday filed material with that board recommending that the project be terminated.

The increased interconnection capability of the proposed Lake Erie cable would have enhanced the overall security of the bulk power system in Ontario and, of course, the additional revenue from this sale would have made a significant contribution to the economy of Ontario and to Canada's balance of payments situation. The loss of this sale would indicate that obtaining new electricity export markets will not be easy and that Ontario Hydro is facing greater competition from US and other Canadian utilities.

The government, however, remains committed to encouraging Ontario Hydro to seek expanded export sales and new export markets. I will be reviewing with Ontario Hydro its export strategy to ensure that all opportunities for such sales are being pursued.

NUCLEAR DISARMAMENT

Mr. Cassidy: On a point of privilege, Mr. Speaker: If I could just have your indulgence for a second, I want to report that 68 members of the Legislature have endorsed the concept of a

world referendum on disarmament and 76 members of the Legislature have endorsed the resolution reflecting deep concern at the implications for mankind of the escalation of nuclear arms. On behalf of my colleagues the member for Renfrew North (Mr. Conway) and the member for Brantford (Mr. Gillies), I would like to thank all those members of the Legislature who made their statements.

ORAL QUESTIONS

TAX ON NONPROFIT ORGANIZATIONS

Mr. Peterson: Mr. Speaker, I have a question to the Minister of Revenue. I note with a little bit of joy his backing off in the new regulations he has attempted to bring in today, obviously at the behest of opposition pressure. However, in looking at these, without seeing the details, it is my view that they are still chintzy and mean-spirited.

He is still going to force a lot of charitable organizations into being constant bookkeepers. They are going to have four events a year as opposed to five or six. He is still regulating them in a great number of ways. He is backing off with respect to summer camps operated by religious, charitable or benevolent organizations as long as they are not in direct competition with commercial camps, whatever that means.

I ask the minister: Because even these changes are going to cause him so many problems, does he not feel that he should just back off completely and go back to the way it was, which was sensible and which everyone could understand?

Hon. Mr. Ashe: Mr. Speaker, contrary to the opinion of the Leader of the Opposition, the statement I made this morning had nothing to do with the dribble and drabble we have been hearing from the other side for the past week or two, particularly from the member for Rainy River (Mr. T. P. Reid) for seven-plus hours.

Hon. Miss Stephenson: Seven hours of whipped air.

Mr. T. P. Reid: Seven and a half hours.

[Applause]

Mr. Speaker: Order.

Hon. Mr. Ashe: I am glad the members of the Liberal Party agree with my statement in that regard.

This morning, I did what is not uncommon following a budget, following some change in the taxing areas, in the way of clarification, of regulations being drawn to make things workable, reasonable and responsible as this gov-

ernment always does. In effect, that is exactly what that statement did this morning. It is not a backing down; it is not a change. It is a clarification based on the kinds of regulations we had in effect before.

Yes, we have expanded the maximum limit from \$50,000 to \$75,000. The reason for this is that now there is no threshold in the food component of what might be incorporated in a sale, etc. That has been changed and raised, it is true. The rest is in the form of clarification.

I think it is reasonable. I think it is responsible. It does allow organizations, whether they be charitable organizations or something similar, such as service clubs, to have fund-raising events on an intermittent basis and know that they are not going to be taxable unless they are in direct competition in the marketplace, such as at fairgrounds and so on. I think that is reasonable, and I think that is responsible on the part of this government and this ministry.

Mr. Peterson: Let me give the minister some advice. He is going to get into so many definitional problems on direct competition; he does not even know what he is talking about.

Will the minister not agree with me that he has had an opportunity to hear some of the public reaction, now that other people are coming to him, such as the mobile caterers whom he is forcing to install tills in their trucks? These are small entrepreneurs. A number of them own just one truck and make the sandwiches in the morning to sell during the day. He is forcing all these people to become bookkeepers.

Now that the minister has started to get some understanding of what he has done to the system, will he not agree that he could have far more intelligent regulations than these? Believe me, he will be backing off a lot more over the next few months. Would it not be a better idea to hear all of these people through a select committee where they could come and make their representations? Then he could do it intelligently all in one shot.

Hon. Mr. Ashe: The answer to that is very simple. The answer is no.

Hon. F. S. Miller: On a point of order, Mr. Speaker: I would like to clarify a point here. The Leader of the Opposition keeps speaking about referring the matter to a committee. We have said that is not the normal way. The standing rules of this House permit him or his party, at the end of the debate, to refer the matter to committee. He knows that.

Mr. Peterson: Mr. Speaker, it is quite obvious that we can take this bill to committee, and we intend to do that, but we know the Treasurer will use his majority to muzzle that committee, as the government does on every other committee. We want to hear outside witnesses. We want to hear people who are affected by the tax.

All the government has to do is say, in this House, that this is a reasonable thing to do, that we will sit this summer and that we will listen to people affected. We can all try, on a nonpartisan basis, to redraft the regulations under the bills. That is all we are saying. It is reasonable. The more he hears, the more he will change his mind. This Treasurer is in a lot of trouble. We are trying to help him out.

Mr. McClellan: Mr. Speaker, I want to make precisely the same point. It is all very well for the Treasurer to stand up and say that standing order 33 gives us the leeway to refer reports or matters out for hearings. It would be nice and helpful, though, if the Treasurer would give us an uncategorical commitment that he would permit the hearings to actually take place and that he would not have his trained seals vote to stifle the matter, as they so often do.

Hon. F. S. Miller: I think the member has the wrong number. I think it is standing order 56(c). I thought he knew the House rules. If he is going to throw numbers around, why does he not get the right one?

Mr. McClellan: Sorry.

Hon. F. S. Miller: Second, if a government wins an election, it has majorities on committees. That is what government is all about.

10:30 a.m.

Mr. Wildman: Mr. Speaker, we all know, and so does the public of Ontario, what a Tory majority means for the taxes in this province.

How will the Minister of Revenue define direct competition when he is talking about camps? Will it be related to distance between camps? How will he determine that they are in direct competition? One could have a number of camps in an area, one run by a benevolent organization and another as a private operation. How will he determine when they are in direct competition?

Hon. Mr. Ashe: Mr. Speaker, the main point of interpretation will be—I will read from my statement again:

“Similarly, I wish to inform members that the new budget tax provision on accommodation and prepared food will not apply to summer camps operated by religious, charitable or benev-

olent organizations for disadvantaged people. . . .” The last three words are the key words within that phrase. Then it goes on to say, “and which are not in direct competition with commercial camps.”

The reason for that is there are, in some instances, summer camps operated by an organization or institution that may fall into the category of being charitable, benevolent or religious institutions, but that particular part of their operation, the summer camp, may have nothing to do directly with providing a service to people who are disadvantaged, who need some assistance, below the market rate. That is why that is in there.

It will be decided—wrongly, as seen by members opposite, but rightly, in my view—by interpretation of individual situations or circumstances. I do not mean by the case of one person but by the nature of the particular operation. I think that is a responsible way of looking at it. We have to be fair to the marketplace, and yet still recognize the valid and very important service sometimes provided within those camps for the disadvantaged.

Mr. Laughren: Mr. Speaker, on a point of order, or perhaps clarification would be better: I wonder if the minister intends to include the Orange Lodge as a benevolent or religious institution.

Mr. Peterson: Does the minister not realize what a silly process he is getting involved in? Does he not realize that some camps that charge a commercial rate for children also sponsor other children by way of bursaries and do cater to the so-called economically disadvantaged? Does he not realize what a hornet's nest or can of worms he is getting into in trying to justify the position the Treasurer brought us on May 13? Does he not realize that on Monday he will start a whole new series of taxes for which, to the best of my knowledge, the regulations are not yet available? What are the taxpayers of the province supposed to do on Monday? When will we get the regulations?

Hon. Mr. Ashe: We have already issued regulations on the same night as the budget, as I indicated in my statement today. We will be sending to the honourable members further clarification of these issues. We have a head office component, needless to say, of the retail sales tax branch. We have 12 district offices throughout the province. There is no great inaccessibility of clarification or information for the retailers who may still have questions.

Yes, we have had lots of questions in the past month. That is why many of these things were quite rightly given a one-month postponement before implementation day. I think, contrary to the views of the leader of the official opposition, that most of the people in the marketplace are reasonable and responsible, and have made a point of finding out and getting questions answered for them.

HYDRO EXPORTS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of the Environment. Where did he go? He was right in front of my eyes. Poof, he disappeared.

Mr. Bradley: This is an important question. He is on his way. There he is.

Mr. Peterson: In the statement of the Minister of Energy (Mr. Welch) today, with respect to the cancellation of the General Public Utilities' cable, I note that Ontario Hydro will be pursuing further export contracts.

Could the Minister of the Environment give this House his commitment that, when that happens in future, he will make sure the environmental interests of this province are strongly represented, that he will involve himself from the beginning and make sure there is an open environmental hearing for any future contracts Hydro may take on with respect to exports? Why does the minister not now pledge to involve himself at the beginning of those discussions so he is not embarrassed in future the way he has been in the past?

Hon Mr. Norton: Mr. Speaker, I do not know whatever caused the Leader of the Opposition to think I was embarrassed. I have not been embarrassed throughout this process. I can assure the member my reaction to the announcement this morning is that it is really unfortunate at this time in the history of our country.

I think the transaction would have been of great benefit to Canada and Ontario. I know it would have been done with all the appropriate and necessary environmental protections in place. I am confident of that and I have been involved from close to the beginning, certainly from the time I came to this ministry. I realize the discussions about this predated that somewhat, but I have been involved from the beginning.

I am confident the environmental considerations as they relate to Ontario and Canada were being taken into consideration fully. I would not hesitate to say to the member that in the future,

if such undertakings are to be considered as I suspect they would be, either my successor or I would be involved again and would continue to play a significant role in the protection of the environment as it relates to any such undertaking.

Mr. Peterson: The minister may have been involved but it was not a very important role. That has been the whole point of this exercise.

What we are asking is that the next time a contract is looked into, as well as looking at the economic benefit—and nobody is suggesting there would not have been an economic benefit—he makes sure that the question of the economic liability through increased acid rain is looked into. The minister must make sure that he speaks for this province with respect to those interests. Why does he not make that pledge now?

Hon. Mr. Norton: At some point the member has to come to grips with the fact that he has been labouring under misinformation. He has been ill-advised throughout on this issue. He has been led down the garden path by certain groups that run around doing calculations that are invalid, alleging there were going to be increases in acid rain as a result of this transaction, all of which is balderdash.

Now that it appears the transaction is not going to go through, why does not the Leader of the Opposition sit down, look back and maybe come to some understanding of what it is he has been trying to talk about for the last eight months? I will give him whatever information he requires.

Mr. Foulds: Mr. Speaker, now that the GPU deal is not going through, will the Minister of the Environment sit down with Ontario Hydro and ensure that the acid rain, because of the subsequent SO₂ emissions, is appropriately and adequately reduced? In other words, will the minister now sit down and negotiate a very tough emission policy with Ontario Hydro to reduce acid rain in this province?

Hon. Mr. Norton: Mr. Speaker, I think it is fair to say we have a regulation in place with Ontario Hydro now that is the toughest of any in North America or anywhere else I know of. If he has been following at all—

Mr. McClellan: In this or in any jurisdiction.

Mr. Foulds: Perhaps in the universe.

10:40 a.m.

Hon. Mr. Norton: If the honourable deputy leader of the third party has been following the

negotiations that have been taking place pursuant to the memorandum of intent with the United States—

Mr. Foulds: Yes.

Hon. Mr. Norton: I suspect the member has not, but if he has, he would understand that the scientists in the working groups are generally in agreement that approximately a 50 per cent reduction may well arrest the environmental damage that is being done as a result of sulphur emissions. Ontario Hydro is already committed to that type of reduction.

Along with Canada, Ontario has said to the United States that if we can get a comparable concession on their part, we will agree to a general 50 per cent reduction which may well mean that larger sources, like Ontario Hydro and Inco, may have to go further than 50 per cent because of the fact that certain small point sources may not be able to reduce by that amount. We will maintain that commitment, but I think it is important that the member and everyone else in Ontario, continuously point to Ontario Hydro as an example of what can be accomplished because Ontario Hydro has already agreed to go down by 50 per cent.

Mr. Elston: Mr. Speaker, during the estimates, I noted that the minister had indicated he would have an announcement to make within the couple of weeks after the end of those estimates to tell us exactly how he had determined to make sure this was going to be a clean export.

I wonder if he would share with us the information he had been considering to require the introduction of environmental controls which would ameliorate any excess emissions caused by the GPU sale and provide us with the details of those. If they are too long or technical in form he could table the information. Then he could assure us that he will ask that scrubbers be installed at the Nanticoke power station to help reduce their emissions by the 50 per cent he is talking about.

Hon. Mr. Norton: I think that the honourable critic and I ought to sit down and have a little chat because I am not sure he understands the question he asked. I would be glad to discuss this question with him, but I think it would be an entirely fruitless exercise to pretend that GPU was still on track and table documents and so on

because those things have not been finally determined by—

Mr. Elston: You didn't have a plan, did you?

Hon. Mr. Norton: Oh, yes, I did.

Mr. Elston: That is what I am asking.

Mr. Speaker: Order.

Hon. Mr. Norton: Oh, yes, I did and the member knows very well that I did.

Mr. Bradley: Let's see what you would have done.

Hon. Mr. Norton: I have no intention at this point of starting to table documents about something which no longer is relevant.

Mr. Foulds: Mr. Speaker, I have a question for "nine-job Walker," the Minister of Industry and Trade. I wonder if they could get him back in his seat. In the meantime, I will direct a question to the Minister of Energy.

Mr. Bradley: Here he is now.

Mr. Foulds: Now he is back, he can wait. I have two questions.

ENERGY RATES

Mr. Foulds: Mr. Speaker, is the Minister of Energy fully aware that Consumers' Gas is seeking permission to charge a flat rate monthly fee of \$18.30 for natural gas service? Is he aware that request is for more than double the highest existing fixed residential service charge of \$9.90 charged in British Columbia and nearly four times that charged by the publicly owned Kitchener Public Utilities Commission?

Is the minister not concerned that the major utilities have regarded the failure in the past, by his ministry or the Ministry of Consumer and Commercial Relations, to intervene to protect the people of Ontario from price gouging, simply as a signal for these energy monopolies, such as the gas companies, to ask for these kinds of increases?

Hon. Mr. Welch: Mr. Speaker, I can understand why we have had exchanges in the House over the last several days about this. We are all members of the Legislature and we are all hearing from constituents with respect to this application, particularly those of us who come from the areas served by this company. I think the honourable deputy leader of the third party should recall, because after all, he is the critic of this ministry, what the role of the Ontario Energy Board is.

Mr. Foulds: I am talking about the minister's role.

Hon. Mr. Welch: I am talking about the whole process that is put in place on behalf of the people of this province to consider an application that is formally submitted and, indeed, advertised and about which public hearings are scheduled to commence, I understand, some time in mid-summer. There is ample opportunity for people concerned about the implications of this application to make their representations.

I think it is important that we underline what the role of the Ontario Energy Board is in this situation. It was put in place for this very purpose: to monitor such applications and adjudicate them.

Mr. Foulds: Mr. Speaker, I am sure the minister will not mind if I try to underline his responsibility.

Has the minister read the application by Consumers' Gas? If he has, does he recognize that its application is a direct attack on his government's much-advertised concern for conservation? For example, people with energy-efficient heat pumps will pay 26 per cent more, or \$123, as a result of this proposal, whereas the typical consumer will pay \$76 more and a consumer who has a swimming pool will pay only \$11.60 more. In other words, this application is a direct attack on his government's stated policy of conservation. What is the minister going to do about that?

Hon. Mr. Welch: Mr. Speaker, the honourable member quite properly asks the minister to review his responsibilities. I assume he would agree that any list of those responsibilities would include respect for the law, and the law is quite clear about the process in this particular matter as set out in the Ontario Energy Board legislation. The government policy to which he refers is quite clear, and there will be ample opportunity in a public forum to review all of these matters at the time of the consideration of this application.

Mr. Peterson: Mr. Speaker, the Minister of Energy very ably uses the Ontario Energy Board to wash his hands of the whole matter, but does he realize that some of his colleagues do intervene? For example, on May 5, the Minister of Northern Affairs (Mr. Bernier) wrote to the energy board expressing his concerns about the proposed new hydro rates in northern Ontario. If he can intervene, why can the Minister of Energy not intervene to say what he thinks about energy prices in this province?

Hon. Mr. Welch: Mr. Speaker, just in case it has escaped the attention of the Leader of the Opposition, hundreds of people in Ontario are writing to the energy board these days about both of these issues. That is one of the points that has to be underlined. The Ontario Energy Board and its role are quite clearly understood, and I think perhaps we should let that process work its way.

Mr. Swart: Mr. Speaker, surely the Minister of Energy realizes there is nothing in the Ontario Energy Board Act that prevents him or the Minister of Consumer and Commercial Relations (Mr. Elgie), who has responsibility for the protection of the consumer, from intervening and protecting the consumers at this hearing.

But there is another area. The Ontario Energy Board legislation provides that the minister has the power to take action. Does the minister recall that about three months ago members of this caucus officially appealed to his cabinet, under the Ontario Energy Board Act, to lower the 32 per cent increase in home heating gas rates, which were finalized last February 26? Those rates would permit Consumers' Gas Co. to increase their profits and return on investment by 25 per cent.

How can anyone conclude that the minister or his government has the slightest concern about the clobbering of the consumers on home heating gas rates when his government has not even replied to the official appeal that was made three months ago? Is the minister going to deal with it, and if so, when?

Hon. Mr. Welch: Mr. Speaker, if I can work backwards on the comments and questions, the appeal to which the honourable member refers is before the Lieutenant Governor in Council and will be dealt with in due course.

Mr. Swart: After three months you have not done anything.

Hon. Mr. Welch: The member for Welland-Thorold knows from his municipal experience that all types of appeals go to cabinet: Ontario Municipal Board appeals and others.

Mr. Swart: This is not important, is it?

Hon. Mr. Welch: I invite the member to review the time frame of those compared to this, and he will find no undue delay in the frank consideration of this particular appeal.

10:50 a.m.

I would like to suggest it would be wise for the member to review the legislation establishing the Ontario Energy Board. The Ontario Energy

Board is there to protect people with respect to any unilateral action on the part of a franchise holder. That is what the whole process is about.

JOB CREATION

Mr. Foulds: Mr. Speaker, I have a question for the Minister of Industry and Trade who, when he was appointed to the ministry, said that his responsibility was "jobs, jobs, jobs."

Does the minister recall doing nothing when we brought to his attention the closing down of typewriter production at SCM in Scarborough, and also when Spalding closed out its golf-ball and golf-club production at Brantford? Is he now aware that, as of June 1, this type of iron, produced at Canadian General Electric in Barrie, will no longer be produced there but will be imported from Hong Kong? What is the minister going to do to stop the subsequent loss of jobs? When, specifically, is he going to keep his promise to create jobs and keep jobs here in Ontario and at the plant in Barrie?

Hon. Mr. Bernier: Send it over to him.

Hon. Mr. Walker: Yes. I don't know why the member is not like his friend from Welland-Thorold. At least he would send it over to me. I have made quite a cache of things that he's sent over. Does the member think he could throw it this far?

Mr. Foulds: I will throw it.

Hon. Mr. Walker: Do you think you could throw it this far?

It is very important that this government, the entire government of all the people represented here, be sure that we create a climate which above all welcomes the growth of investment in this province. That is one of the things I feel the opposition parties are to some extent pooh-poohing. We have to make sure that investment is welcomed here and that it will create more jobs.

We recognize there are internal changes within industrial sectors. However, the important thing for us is to continue to grow—

Mr. Laughren: It is not obvious.

Hon. Mr. Walker: —and the more growth that we have in the province, the more jobs we will create. I think that member in the New Democratic Party would do well to remember that.

About the shocking display earlier today when a statement was made about some jobs being established in Elmira: If I were someone from another country looking on, if I were someone from Japan looking on and seeing the

display of the New Democratic Party here today, I think I would come to the conclusion that there is some instability. However, the conclusion one would draw is that of the instability of the NDP.

Mr. MacDonald: That wasn't convincing enough even to persuade your own troops.

Mr. Speaker: Order.

Mr. Foulds: Is the minister aware that Canadian General Electric employed over 900 people in that plant in Barrie in the mid-1970s? That number has gone down to between 350 and 400 over the last few years as we have seen product after product phased out and produced offshore.

For example, this make-up mirror—I will send it to the minister—a product which used to be produced at the Barrie plant, is now produced in Hong Kong. This type of can opener, which used to be produced at the Barrie plant, is now produced in the United States; this mixer, which used to be produced in the Barrie plant, is now produced in the United States; and this electric knife, which used to be produced at the Barrie plant, is now produced in the United States.

Over 20 product lines have been phased out. Does the minister not think that the drastic reduction in lines and the drastic reduction in jobs calls for some action on the part of his government, more than creating the piddling nine jobs that you have created today?

Hon. Mr. Walker: The important role of this government is to ensure that there is a climate for proper investment and a climate in which business can do business. The most important responsibility that a company can have is to ensure that it is competitive and that it makes a profit, because if it does not make a profit, it is going to go broke and all of the jobs are going to be lost.

That is the thing the member fails to remember. He would go out and force all of those companies to engage all kinds of extra people even though the competitive market may not suggest that should be done.

Mr. Peterson: Mr. Speaker, I want to congratulate the minister on his exciting announcement today. The most significant thing he has done since he became the minister is to create these nine jobs in Elmira.

May I ask why he did not announce at the same time that the Elmira Signet closed today, laying off permanently three full-time and four part-time workers?

Hon. Mr. Walker: Mr. Speaker, to the extent that there is an announcement of a closure, it is a very unfortunate thing, and the Leader of the Opposition (Mr. Peterson) should be treating it in that sense. It is not something he should be parading out here to make an example of them, or to make a fool of them. I do not know why he would even think of that.

Mr. Foulds: Does the minister recall that this government, through its former employment development fund, and its present Board of Industrial Leadership and Development fund, gave a million-dollar interest-free loan to CGE in Barrie to create jobs, and does he realize that since that time 100 jobs have been lost? How does he justify that kind of generosity to corporations such as CGE, when they are phasing out the jobs from under him? What is he going to do to protect the jobs of those workers in Barrie, and to protect the jobs of those employees?

Hon. Mr. Walker: First of all, we have an economic situation in this world, in this country, and in this province, the like of which we have not seen for a long time. That is certainly something that has to be taken into account in any of the business decisions that may have been made by any of the companies involved.

The honourable member makes reference to the employment development fund and he fails to mention that 130 applications were approved. Of the \$175 million in grants that were provided through the employment development fund, it levered something like \$2,500,000 worth of extra investment, creating in the process 16,700 jobs in the space of a couple of years. How does he ignore that? Why does he not make some reference to that today? That is a fact he is ignoring entirely.

The employment development fund was succeeded by BILD, and BILD in itself has been an industrial strategy that has succeeded in creating all kinds of new jobs. I could go through a litany of all the new jobs established through the BILD initiatives.

[Later]

Mr. Foulds: Mr. Speaker, on a point of privilege: I would like to correct the record. First, when I said these electric irons were produced in Hong Kong, I meant Singapore. Second, for those members interested, like the Minister of Revenue (Mr. Ashe), there will be a garage sale in my office upon adjournment.

DEATHS AT HOSPITAL FOR SICK CHILDREN

Ms. Copps: Mr. Speaker, I have a question for the Attorney General.

The minister has heard our plea for an open public inquiry into the events surrounding the unfortunate deaths at the Hospital for Sick Children. Editorials have made the same demand, and a number of parents have gone on record as requesting an open public inquiry.

The minister has received a letter from a Hamilton family, whose son was in the same room as two of the murdered babies, and I would like to quote just briefly from that letter. I might add that their son, Matthew, will be going into the hospital for further surgery in those wards this fall.

"We are most concerned that 4A and 4B can no longer meet our son's needs when the atmosphere there has been so obviously poisoned by hatred, deception, lack of trust, and, worst of all, random murders. We urge you to immediately set up a royal commission, a public inquiry, into all aspects of policy, funding, administration, and medical procedures, so that our family, our province, our nation, and the world can once again look up to the hospital."

What answer does the Attorney General have for those parents today, parents who will have to send their child back to those wards next fall?

Hon. Mr. McMurtry: Mr. Speaker, certainly we all share the concerns of any parents who do have these worries. The chief concern of any parent, in relation to having a child admitted to Sick Children's Hospital, would be the hope that the perpetrator of these horrible acts was apprehended. Normally, that would be the highest of priorities.

Obviously, one cannot have a royal commission going on at the same time as a criminal investigation, without seriously undermining the criminal investigation. We all have a responsibility to assure parents that everything reasonable is being done. We believe that it is.

The announcement by my colleague, the Minister of Health (Mr. Grossman), with respect to the investigation headed up by one of our most distinguished jurists in Canada, Mr. Justice Charles Dubin, should also be emphasized as part of the assurance we wish all parents to have.

11 a.m.

Ms. Copps: Is the minister fully aware that the investigation set up by Mr. Justice Dubin will

not look at any of the events surrounding the unusual deaths and will only look from this day forward? In this family in particular, their son happened to be in the same room as two of the dead babies. More than a year has elapsed since those murders and the mother of the child happens to be a registered nurse who is employed in the neonatal unit at Chedoke-McMaster Hospital. Is the minister not just a little concerned that the police have not even gotten in touch with this family?

Hon. Mr. McMurtry: Again, I may be a little repetitive, but as a parent myself, I would think that most parents would have as their chief concern current procedures and the safety of current procedures. Surely, that is only common sense and that is what Mr. Justice Dubin's committee is all about.

Mr. Renwick: Mr. Speaker, will the Attorney General at least reconsider with his colleague the Minister of Health, the question of making the inquiry being conducted by Mr. Justice Dubin a public inquiry, having regard to the exceptional capacities and abilities of the judge to make certain that the administration of justice in the police investigations will not in any way be impeded? Would he not, at this point, reconsider the decision of his objection to the public nature of the inquiry proposed by the Minister of Health and recommend to him, or agree with him, that it should now be public?

Hon. Mr. McMurtry: Mr. Speaker, the question presented by the member for Riverdale points out some degree of confusion which may exist in the community about the nature of Mr. Justice Dubin's mandate. It is not an inquiry; it is an investigation. Certainly the member for Riverdale knows, as well as anybody else, that if there were to be a public inquiry, it would have to be preceded by a proper investigation. We are not talking about an inquiry at this point. Neither the Minister of Health nor I have ruled out the possibility of a public inquiry when the investigations are completed; first the criminal investigation, second, Mr. Justice Dubin's investigation under the Public Hospitals Act to assure that the present procedures are adequate.

STEWART CASE

Mr. Renwick: Mr. Speaker, the Attorney General will recall that on April 30, I raised with him the case of Derrick Cole and the evident injustice which was caused to Mr. Cole through

the administration of the system of justice in the province.

I now have another case that I want to draw to his attention. I know the Attorney General must be familiar with it, because he has had an exchange of correspondence in connection with it. The case is that of one Clifton Stewart, who was acquitted of a second degree murder charge in Toronto by a jury on January 23 of this year, after having spent 500 days in jail awaiting his trial and subsequent acquittal.

Will the Attorney General, in the unique, special and particular circumstances of that case, consider the payment of some compensation to Mr. Stewart for this long period of incarceration which preceded his acquittal?

Hon. Mr. McMurtry: Mr. Speaker, I do recall the name of the accused but I do not recall at this moment the circumstances of the case or of the trial leading up to the acquittal. All I can say at this time is that I will pursue the matter and report back to the Legislature.

Mr. Renwick: Perhaps the Attorney General, when he is pursuing the matter, would reconsider his correspondence and address a further reply to Mr. Stewart, because of the response of the Attorney General to him.

Mr. Stewart wrote indicating he had been in the Metropolitan Toronto East Detention Centre for 500 days, from September 1980 to January 1982. He had been released after acquitted by a jury. He indicated he had not been able since to find any form of employment and had been unable to be reinstated in his former job. He wrote to the Attorney General requesting some form of assistance and information regarding employment and compensation.

The minister replied on May 10 indicating to him that at the present time there were no openings in his ministry for employment and indicating how he should make application through the recruitment procedures if he wished employment with the ministry. With respect to his request for compensation, the minister indicated to him that if he had any problems in that connection he should consult his lawyer. Would the Attorney General reconsider his inadvertently nonresponsive reply to Mr. Stewart's request?

Hon. Mr. McMurtry: I have nothing further to add to my response, Mr. Speaker.

GO TRANSIT SERVICES

Mr. Stevenson: Mr. Speaker, I have a question for the Minister of Transportation and

Communications. Is the minister aware that the departure time for the proposed GO train on the Stouffville-Toronto line has been announced as 7:10 a.m. which is the present departure time of the Via train? Such a train will not be a viable alternative for the riders of the present Toronto-Havelock line in the Uxbridge, Port Perry and Claremont areas. Will he investigate the possibility of altering the departure time of the GO train to a more popular hour?

Hon. Mr. Snow: Yes I will, Mr. Speaker. I do not know what the ramifications are. I know the trains have to be scheduled a great deal because of space when arriving at Union Station. I understand the member's concern and I will certainly look into it.

Mr. Stevenson: In one of our meetings with the minister regarding the Via Rail cutbacks some time ago, one of the ministry officials suggested there would be more than one train on the Toronto-Stouffville line. Why has the expanded service with more flexible hours not materialized?

Hon. Mr. Snow: It is mainly because in the time available to us to implement this service by September 7, I believe it is, we will be replacing the existing Via services only. This is partially due to lack of equipment, equipment that is not available at the present time, but will be when the new doubledecker cars start arriving from Thunder Bay later this year or perhaps next year.

Mr. Bradley: Mr. Speaker, when the minister is taking this into consideration, will he consider extending the GO service to Hamilton?

Hon. Mr. Snow: Mr. Speaker, I am sure the member already knows very well that is under consideration.

TAX ON CLOTHING REPAIRS

Mr. Bradley: Mr. Speaker, I have a question for the Treasurer. In view of the announcement this morning by the Minister of Revenue and the representations he has received, and which members on that side and this side of the House have received, concerning the new tax imposed on repairs and alterations to clothing done by dry cleaners and launderers, is the Treasurer now prepared to withdraw this unfair, inequitable, inflationary tax that will hit particularly hard at the poor who cannot necessarily afford new clothing and must rely upon alterations, renovations and repairs to older clothing?

In view of the announcement by his colleague the Minister of Revenue, is he prepared to

relent and give these people an opportunity to provide the service without an additional tax burden? I would like to send over to the Treasurer a petition from a group of people in St. Catharines. I am sure there are many across the province who are asking that he do just that.

Hon. F. S. Miller: Mr. Speaker, my honourable friend implies there were no exemptions in existing regulations for the kind of events my colleague the Minister of Revenue described. In fact, there were exemptions both for events held by charitable organizations, including churches, and for charitable camps.

There has been a fair degree of inflation since those regulations were last reviewed, and in order that there would be no question about the applicability of the tax we simply broadened the definitions of those regulations both to cover today's dollar values and to compensate for the fact that we made a specific change in the tax base during the budget.

Interjections.

11:10 a.m.

Hon. F. S. Miller: There is another thing. The member's leader keeps talking about cash registers for the people who have to perform services such as collecting tax on food and coffee wagons. The regulation does not require a cash register; the regulation does not require the separate collection of tax; the regulation allows for a simple operation, that of remitting 7/107 of the money collected on a given day. The price can include taxes as long as it is indicated that: "price includes tax."

A lot of the ifs, ands and buts and the big problems in administration that the member is dreaming about just do not exist. Therefore, while we are clarifying something in this case which already existed, at this point I have no intention, nor do I expect to have any intention, of changing anything relating to tangible personal property. I am, however, listening very carefully to what I would call the bureaucratic problems that pop up whenever a tax is applied to a new item.

Very few people were here last night during the Bill 111 debate, and although I mentioned it at that time, I think while I am on my feet I should also point out with regard to the precedent referred to by the Leader of the Opposition about these bills having been sent to committee before, that he really was talking about a private member's public bill, Bill 47, introduced in this House by Mr. Wintermeyer in 1961. Having

read through Hansard and the committee, I can say that all that was discussed was the quantum.

Mr. Bradley: You didn't answer my question.

Mr. Nixon: On a point of order, Mr. Speaker: In response to the honourable minister's comment, I want to bring to the attention of the members that the motion by the Premier was to send the budgetary material encompassed in the bill to the committee for discussion of the material in the bill having to do with sales tax. The tax was new, just as the expansion of the base now is new. In those days the Premier took the initiative.

Mr. Speaker: Order, please. We are straying from the question period and there are proper times to deal with this.

Mr. McKessock: Mr. Speaker, I have a supplementary question to the Treasurer: I have here several pages of petitions from Carson Cleaners in Hanover and Durham Cleaners in the town of Durham, signed by their customers, that I will send over to the Treasurer. Does the Treasurer not understand that he is contributing to having people going around with unkempt clothing?

I think the Treasurer also talked about a bureaucratic problem. Does he not understand that he is really putting another nail in the coffin of small businesses by forcing them into more bookwork, rules and regulations when they have been trying for years to have all that reduced? Would the Treasurer not consider dropping this tax to keep them free from this by not creating more rules and regulations?

Hon. F. S. Miller: No, I do not feel that. I considered alternatives very carefully in the pre-budget period. One of the alternatives was eight per cent on the present base. However, in my 1981 budget I said that we would be reviewing the existing exemptions which have occurred over many years, starting in 1962. I could go back and show the member that soap was taxed in 1961. It seems that many members do not realize that. Many of the items have had exemptions put on.

Mr. T. P. Reid: Now that's getting personal.

Hon. Miss Stephenson: Pat never used soap.

Hon. F. S. Miller: Of course, you have to touch it to understand that.

Mr. T. P. Reid: That's what I mean— personal.

Hon. F. S. Miller: The fact is there were many inconsistencies in the base. The broadening of the base would not yield as much money as

raising the tax rate from seven to eight per cent. As I pointed out to the Ontario Trucking Association yesterday, charging tax on repairs will certainly add to the cost of repairs, but adding one per cent to the price of a \$100,000 truck is much more likely to affect the decision of the buyer as to whether he will use the service or the item.

TECHNOLOGY CENTRES

Mr. Wildman: Mr. Speaker, I have a question for the Minister of Industry and nine jobs, if he would return to his seat. Is it correct that the minister stated in Hamilton recently in a speech before the Ontario Chamber of Commerce in discussing the technology centres, "While these centres are being initiated by my ministry, eventually it is my hope that these centres will be turned over to the private sector"?

If that is accurate, are we in a situation now where this government has committed \$126.5 million in investment of public funds over the next five years and already the minister is talking about turning that investment over to the private sector once it becomes a going concern?

Hon. Mr. Walker: I suppose the short answer to that is yes. Although I think it has to be qualified on the grounds that we expect private enterprise to be running the centres for us. The member will see the approach we are taking to upgrade the technology centres on Monday during the second reading of the bill. I will be able to give him an update on that day as to where we stand in respect to each of the centres and how we intend to approach them. The vast majority of the members of the boards of directors, for instance, will be from the private sector. So, in essence, it can be said they are being run by the private sector.

To say that they are going to be owned by the private sector and physically have title transferred to them is not accurate. To the extent that the paragraph of my speech the member has read conveys that message, that is just not quite accurate. The more accurate reflection of that is they will be running them in the broadest sense of the word, because they will be the corporate directors of them.

We expect to have a modest number of government employees on the tech centre boards. They will, of course, report to me as Minister of Industry and Trade. They will have certain relationships with other adjuncts of government. Of course, a certain amount of money will be provided for the running of these, but we do

expect that within five years they should be 50 per cent self-sustaining.

That is our hope and goal. To achieve that we feel we need to have a very direct involvement of the private sector. It has to be, really, to their greatest benefit that we are establishing these centres. When business is working, jobs will be created.

Mr. Wildman: With regard to Bill 124, obviously we have to complete the bill that establishes the ministry first. That is going to take some debate. Could the minister clarify his answer, because he has just said yes, it is going to be turned over to the private sector but no, they will not have title? Is that what he is actually saying to us?

Are we to understand that his statement today about Sanyo establishing in Elmira, and being close to the computer-aided design and computer-aided manufacturing technology centre, is not a move by Sanyo to be able to take over CAD/CAM in the future if it becomes a going concern?

Hon. Mr. Walker: I think that is a quantum leap. No, I do not think Sanyo will be taking over the CAD/CAM centre. It will not be known as the CAD/CAM Sanyo centre. In fact, it will be a provincial institution. The member will see that it is the board of directors, which will be made up by and large of industry people, who will be running both the CAD/CAM centre and the robotics centre, and indeed the other four technology centres that we are establishing.

Hon. F. S. Miller: Point of privilege, Mr. Speaker: On the point of order a few moments ago you said there was an appropriate way to deal with a difference of opinion, but I feel when one member says I am wrong I have the right to clarify that point. I agree—

Ms. Copps: A point of order, Mr. Speaker, I understand that—

Mr. Speaker: Order. We have a point of privilege on the floor which must be recognized immediately.

Hon. F. S. Miller: The member for Brant-Oxford-Norfolk (Mr. Nixon) has implied that I was incorrect, that the Bill 47, in 1961, was referring to a new tax. It was referring to a tax that was in place. If the member will recall, the bill was referred to the standing committee on public accounts, not to discuss the principles at all but simply because—as Mr. Robarts and Mr. Wintermeyer agreed in the House and I could

have quoted the passages—there was a difference of several millions of dollars between \$52 million and \$115 million in the figures. All that committee was asked to do was to reconcile a set of figures and not discuss a principle of taxation.

11:20 a.m.

Mr. Nixon: On the point, I can assure the Treasurer that I was present at the hearing. I was in the House when the then Premier himself made the reference. The sales tax base was just newly being established. The opponents on this side felt that the indications put forward by the government were erroneous. I attended the meeting of the public accounts committee at which the concepts of the sales tax, particularly the whole matter of exemptions, which is exactly the body of the content of the bill that his colleague has put before the House, was discussed by the committee with a reference back here.

I must say to the Treasurer that the opposition did not carry the day but the government of the day at least sent the matter to committee for discussion.

Hon. F. S. Miller: Well then, I still have to correct that impression and now I will read the quotes. Mr. Robarts said:

“I certainly do and I am prepared, as I have said already, to have an examination made of the figures just to find out really what we are talking about. This is a very serious matter . . .”

Mr. Wintermeyer, after the hearing on April 18, 1962, said: “that, Mr. Speaker, was afforded the Liberal exponent of our concept of the amendment that should have been inaugurated in the sales tax.

“But that did not happen, we simply adjourned. We simply adjourned the meeting and the sales tax as we had known it, that sales tax that I think we have attacked very effectively and very rightly as unimaginative and lacking in consideration of the little storekeeper and the customer as such, is going to continue to be the law of the land for a few months at least.”

Mr. Robarts replied: “I will refer to the sales tax perhaps on two occasions. Honourable members know I did not attend this meeting of the public accounts committee, but the reports that came to me differed very remarkably from the report given to the House this afternoon by the honourable Leader of the Opposition. As I understand it, we did a very creditable job of justifying the figures that we advanced.”

FUNDING FOR EDUCATION

Mr. Nixon: I have a question of the Minister of Education, Mr. Speaker. This has to do with the continuing difficulty in the new town of Townsend, the baby of the Minister of Municipal Affairs and Housing (Mr. Bennett), who has just resumed his seat.

Can she verify that the Ontario Land Corp. is actually paying the school fees for the residents in the new town who were attracted into the community with misinformation about the school jurisdictions, not realizing that the boundaries between two school boards runs right down the main street of the new town that the minister has been promoting with so many subsidies and public dollars?

Hon. Miss Stephenson: Mr. Speaker, I cannot but I shall explore the matter.

Mr. Nixon: Since the Minister of Education cannot take responsibility for the ill-informed decisions of the Minister of Municipal Affairs and Housing, and his predecessor who got her into this mess, can she explain to the House what disposition she is going to make of the matter that finds two school boards with jurisdiction in one community with all of the resulting confusions involved for the citizens, the taxpayers, who have been led to make their investments in homes there under circumstances that were not properly described to them?

Hon. Miss Stephenson: Mr. Speaker, I find this one of the most interesting and challenging problems to be faced. With the assistance of the local residents, with the assistance of those who are in office in that locality and my colleague the Minister of Municipal Affairs and Housing, I am sure we will find a resolution.

HERITAGE LANGUAGES PROGRAM

Mr. Grande: Mr. Speaker, my question is of the Minister of Education and it is regarding the heritage languages program. Recognizing the fact that the Metropolitan Separate School Board has provided heritage languages education by extending the formal school day by one and a half hours, will she now reconsider her position and permit heritage languages education within the formal school day, as established by herself, so the Toronto board will not have to bear the additional costs and other problems by extending the school day, at its discretion, to produce this essential education in the city?

Hon. Miss Stephenson: Mr. Speaker, the heritage languages program is funded as a continuing education program. It may, under

the rules of that regulation, provide the program after school, not necessarily in the evening as has been suggested by some reports that I have heard, on Saturday or within the hours that have ordinarily been set for school days, provided that the instructional day to encompass the curriculum of the elementary program is extended by one half hour in order that this curriculum may be delivered to the children.

The Metropolitan Separate School Board has, for at least three years now, provided the program in many of their schools immediately before lunch, but the school day has been extended in order to accommodate the deletion from the standard curriculum which that period of time occupies. The Toronto board is well aware that it can do that for the continuing education heritage languages program if it wishes to do so, and that was made entirely clear in the letter I sent to them.

REORGANIZATION OF MINISTRY
OF THE ENVIRONMENT

Mr. Elston: Mr. Speaker, I have a point of privilege which involves the Minister of the Environment (Mr. Norton). Yesterday, one legislative sitting after we finished going through the estimates of the Ministry of the Environment, he advised this House that he was embarking on a reorganization of his ministry; yet in his three-and-a-half-hour address to our committee and the members there he gave us not one hint or any information that he was going to be doing the reorganization.

Mr. Speaker: Order, please.

Mr. Elston: Mr. Speaker, what that does is to—

Mr. Speaker: Order. That is not a point of privilege, with all respect.

PETITION

ROAD PAVING

Mr. Edighoffer: Mr. Speaker, I wish to present a petition that contains over 700 names and reads as follows:

"We the undersigned feel that another two lanes of highway between New Hamburg and Stratford are not needed at this time. We also feel that the present Highway 7 and 8 could be upgraded by levelling it out, repaving it and widening the shoulders to accommodate the agricultural traffic. We also feel that with proper signs many more paved roads in the area could be utilized and reduce the traffic on Highway 7 and 8."

INTRODUCTION OF BILLS

IMMUNIZATION OF SCHOOL PUPILS ACT

Hon. Mr. Grossman moved, seconded by Hon. Miss Stephenson, first reading of Bill 142, An Act to protect the Health of Pupils in Schools.

Motion agreed to.

OPERATING ENGINEERS AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Baetz, first reading of Bill 143, An Act to amend the Operating Engineers Act.

Motion agreed to.

Mr. Laughren: Mr. Speaker, I believe the standing orders require that when major legislation is introduced a compendium should be attached. I wonder whether the minister has done that in this case.

Hon. Mr. Elgie: Mr. Speaker, I will have to check to see if a compendium is available.

Mr. Speaker: He will check into it to see if it is available.

11:30 a.m.

Hon. Mr. Elgie: Mr. Speaker, on a point of clarification: I have discussed this bill in detail with the Labour critic of the New Democratic Party and with the Labour critic of the Liberal Party. They are fully aware of the contents of it and are supportive of it.

I have some comments on the bill. I am introducing some amendments to the Operating Engineers Act. All references to operators of hoisting plants and steam hoisting plants would be deleted.

As it stands, hoisting operators are required to be certified under the act. The training of these operators will soon become the responsibility of the Ministry of Colleges and Universities under the Apprenticeship and Tradesmen's Qualification Act.

The amendment implements the recommendations of the report of the provincial labour-management safety committee of the Construction Safety Association of Ontario. Furthermore, all references to the board of examiners constituted under the act have been deleted.

The purpose of the board is to conduct examinations of stationary engineers and to issue certificates of qualification. This function now can be performed by the chief officer appointed under the act.

ORDERS OF THE DAY

RECIPROCAL ENFORCEMENT OF MAINTENANCE ORDERS ACT

Hon. Mr. McMurtry moved second reading of Bill 1, An Act to revise the Reciprocal Enforcement of Maintenance Orders Act.

Hon. Mr. McMurtry: Mr. Speaker, I think most of the members on both sides of the House who have been following the passage of this legislation with a great deal of interest will be aware of the fact that this is basically the product of the Uniform Law Conference of Canada process and basically will be uniform legislation throughout the country.

We now have reciprocal enforcement of maintenance agreements with every province and territory in Canada, some 25 states in the United States—we are hoping to add to that number—and most nations in the British Commonwealth. It is important legislation, and I welcome the support of the members on second reading.

Mr. Elston: Mr. Speaker, I accept the invitation for support and pledge the support of our party. Since its introduction, we have considered this a very important piece of legislation. Our only concern was that perhaps we would not get to see this legislation come back before the House before the summer came upon us.

There are some important steps to be taken in this legislation which will eradicate some of the inequities that have developed as a result of people moving between jurisdictions in this country as well as between international jurisdictions. Without prolonging the matter, I want to commend the Attorney General for bringing in this bill, and it will receive our support.

Mr. Renwick: Mr. Speaker, I wish the Attorney General to know that we in this party have considered the bill, that we will support it and that we have no amendments to propose. I have two brief questions for the Attorney General.

First, I would like to know on what date he anticipates the proclamation will be issued bringing the bill into force. It has been a substantial period of time in process, and everyone wishes that it will be part of the law of the province as soon as is convenient.

The further comment I want to make in an introductory sense is that the explanation which the Attorney General included in the compendium of information he gave with respect to the bill, related to the change in section 7 of this bill

from the provision in the uniform bill, is one with which I personally agree.

I am glad that a blind conformity did not prevent the Attorney General from asserting the proposition that it should be the originating court that has the final determination with respect to the terms of its order and not allowing amendments, variations and changes in that order by the registration court.

Over the years the question of the reciprocal enforcement of maintenance orders has been one of inefficiency, unclear laws and problems within the different jurisdictions about the right of the reciprocating countries to change the law or to enforce the order of the originating jurisdiction.

All of us welcome the immense amount of work that was done, both in British Columbia and through the commissioners on uniformity, in bringing this bill to almost a country-wide acceptance so that we will eliminate many of the problems that have occurred over the years.

I have on other occasions paid my tribute to the former Deputy Attorney General of the province, and, of course, Mr. Leal was involved very intimately with the development of this draft bill. We welcome it and support it.

Hon. Mr. McMurtry: Mr. Speaker, I welcome the support of members opposite. I would like to indicate to the member for Riverdale that it is our intention to proclaim the legislation immediately upon passage.

Mr. Renwick: Does that mean this year?

Hon. Mr. McMurtry: Yes, I hope before the summer recess.

Motion agreed to.

Ordered for third reading.

SURROGATE COURTS AMENDMENT ACT

Hon. Mr. McMurtry moved second reading of Bill 2, An Act to amend the Surrogate Courts Act.

Hon. Mr. McMurtry: Mr. Speaker, this is a housekeeping item which is quite self-explanatory. The explanatory note states:

"The amendment would permit matters in a surrogate court in which the office of judge is temporarily vacant to be dealt with by a surrogate court judge outside the county. The amendment is parallel to the provision applying to county court judges under section 17 of the County Judges Act."

Mr. Elston: Mr. Speaker, again, I rise in support of this piece of legislation.

I want to indicate to the Attorney General that we members who represent areas that are not as heavily populated as here in Metropolitan Toronto often have difficulties in doing the normal business of the legal profession when it comes to absences out of the county by the county judges for vacation, reasons of illness or whatever. We are often overlooked when it comes to getting this legislation before the House and helping us have an easier time of providing the effective service to the communities we represent and serve as members of the bar.

It goes without saying that this legislation, although it may seem minor to a lot of people, will help in many instances in the smaller communities.

11:40 a.m.

I want to recommend to the Attorney General that he now proceed to look at other sorts of problems that have been raised on many other occasions by members from the smaller, more lightly populated areas of the province with respect to the administration of justice, whether they be problems in having the necessary staff available to help carry on the work and programs of the judges—whether surrogate, county, small claims or whatever—or whether they be in respect of a very difficult position with respect to receiving expert advice in various matters that come before the judges.

I commend this piece of legislation, because it deals with one very difficult problem in the surrogate courts, but I have to tell the Attorney General that because he deals with one problem he ought not to stop there as it applies to our communities. He ought to continue to look at other suggestions that are being made to help us be more efficient and more responsive to the needs of the public and therefore to help us elevate the level of respect that the bar attempts to receive from the public at large.

Mr. Renwick: Mr. Speaker, the record should clearly show that the Attorney General was good enough, in the compendium he sent us about this bill, to indicate that His Honour Judge Colter, the chief judge of the county and district courts of Ontario, had some time ago asked the then Deputy Attorney General to make this provision so that it would coincide with the change we made quite recently in the County Judges Act.

The record should show that the reason stated by Judge Colter was as follows: In a single-judge county where, as so frequently

happens, there is a long period between the death or retirement of a judge and the appointment of a successor, it would be very helpful if the surrogate court clerk could send urgent matters to the judge of a neighbouring county instead of having to wait until it is possible for the neighbouring judge to travel to the county where the vacancy has occurred.

With that brief comment, our party will support the bill, and we have no amendments to propose.

Motion agreed to.

Ordered for third reading.

CHARITIES ACCOUNTING AMENDMENT ACT

Hon. Mr. McMurtry moved second reading of Bill 3, An Act to amend the Charities Accounting Act.

Hon. Mr. McMurtry: Mr. Speaker, this bill is complementary to Bill 4, An Act to repeal the Mortmain and Charitable Uses Act.

The new clause 6(b) provides for the sale to the public trustee of land that is given or held for charitable purposes but ceases to be actually used and occupied for the charitable purpose.

The new clause 6(c) preserves the authority for certain public bodies to receive and administer property in trust for charitable purposes.

The new clause 6(d) retains the procedure contained in section 14 of the Mortmain and Charitable Uses Act for taking complaints about the execution of a charitable trust to the Supreme Court.

Mr. Elston: Mr. Speaker, it probably goes without saying that it is always nice to have our legislation in order and to be able to clean house with some of these bills. Although they may appear on the surface to be rather innocuous to most people involved, I think we really ought to take time to discuss some of the sections of this piece of legislation, although it is drafted to bring us into conformity with other legislation.

I wonder whether I could get a commitment from the Attorney General to allow us to put this into committee of the whole House very briefly so we could deal with some of the interpretative matters in the way some of these sections are dealt with. I will end my remarks at this point and then bring those up in the form of questions on various sections, if that is appropriate.

Hon. Mr. McMurtry: Yes, I will agree to that.

Mr. Renwick: Mr. Speaker, I have no particular concern, but I certainly have no objection if

the bill goes into committee of the whole House. I think the comments I would like to make I should make on second reading of the bill.

This bill, of course, is a companion bill to the bill we will be discussing next in the order of business, Bill 4, An Act to repeal the Mortmain and Charitable Uses Act, and is part of the carrying out finally of the recommendations set out in the Report on Mortmain, Charitable Uses and Religious Institutions, which was tabled in this Legislature in the early days of the ministry of this Attorney General, in 1976; so it has been a long time in coming.

The first point we should make is that the bill defines, in the ancient terms of the statute of Elizabeth I, "charitable purpose" as being the relief of poverty, education, the advancement of religion and any purpose beneficial to the community not falling under any of the preceding three headings.

The reason I mention that is to make certain the record shows clearly that the question of the holding of lands by religious organizations is not involved in this bill. I trust the Attorney General will correct me if I am wrong, because in this assembly, following upon the report of the Ontario Law Reform Commission to which I referred earlier, we passed in 1979 the Religious Organizations' Lands Act. The Charities Accounting Act does not apply to the capacity of power or the way in which religious organizations may hold land necessary for use and occupation in Ontario. That statute now is contained in the Revised Statutes of Ontario, chapter 448.

Very briefly, it is essential that provisions should be contained in this bill to make certain that where lands are held by charitable institutions in this province, they are held for their actual use and occupation. Otherwise, land could be in a very real sense concentrated in private hands through charitable institutions that would qualify as charitable institutions; but there could be, as the law reform commission indicated, immense concentrations of economic wealth consisting of land, a very scarce resource, in such charitable organizations.

The principle of the bill, to make certain that charitable organizations may hold land only for their actual use and occupation and in accordance with the other provisions of the bill before us, is a salutary and very necessary part of our law and should be continued as it is, on transference from the Mortmain and Charitable Uses Act, which will be repealed when the next bill, Bill 4, is approved by the assembly.

The actual conditions provided in this bill are

that the land must be actually used and occupied for the charitable purpose for the period of time that it is required for the actual use and occupation for the charitable purpose or will be required for the actual use and occupation for the charitable purpose in the immediate future.

I think those clauses give sufficient ambit and sufficient flexibility to permit the public trustee not to intervene except in those situations where it is necessary for him to question whether the land meets one or more or all of the three provisions set out in the bill.

The processes in the bill appear to me to be adequate. Our party will support the bill. We have no need to consider any amendments, but we do not object to the bill going to committee of the whole House.

Motion agreed to.

Ordered for committee of the whole House.

11:50 a.m.

MORTMAIN AND CHARITABLE USES REPEAL ACT

Hon. Mr. McMurtry moved second reading of Bill 4, An Act to repeal the Mortmain and Charitable Uses Act.

Hon. Mr. McMurtry: Mr. Speaker, as the explanatory note states, the bill abolishes the requirement that a corporation hold a licence in mortmain in order to hold land. Certain provisions of the repealed act that apply to charitable trusts are preserved and rewritten in a bill to amend the Charities Accounting Act.

Mr. Elston: Mr. Speaker, I rise only to offer our support for the bill and to indicate that some of our legislation which has been on the books for some time has caused minor problems with respect to some of us who were educated much more recently by the law schools. When we get back into the Mortmain and Charitable Uses Act, we find there have been suggestions since the early 1970s, when I was in school, that there should be a lot of house cleaning done. I commend the Attorney General for getting around to helping us out on that level in this regard.

Mr. Renwick: Mr. Speaker, I would like to take a few minutes to speak about this bill, but not because we are in any opposition to it. We accept the anachronism of the Mortmain and Charitable Uses Act as it stands and we therefore support the repeal of the bill. We have no amendments to propose. In my view, it is not necessary that the bill go to committee of the whole House.

However, that does not quite deal with all the matters of immense public concern, matters which are from time to time topical and of concern to people in the province with respect to the ownership of land by corporations and the extent and degree to which the government of the province sees fit to either monitor or control the ownership of land—that is, to monitor in the sense of knowing the extent and degree of the ownership of land in the province by corporations—and, with respect to the questions of ownership, the vexed questions as to whether non-Canadians or aliens should own land in Ontario in any event or for any purpose. Those are serious problems of concern.

On the first point, I want the House to understand clearly that when we recently passed the Business Corporations Act in this assembly, after it was considered in standing committee this spring, we did away with a great deal of the ancient history of corporations. It now simply says that a corporation is the same as an individual and has the same powers, rights, capacities and so on.

However, the Business Corporations Act did not see fit to have incorporated in it the provision recommended by the Ontario Law Reform Commission for inclusion in the Business Corporations Act of what now is section 275 of the Corporations Act of Ontario and the following provision, section 276. I want to put clearly on the record that with the Corporations Act, which still has some action in the province, although the business corporations part of it has been extracted into a separate statute, it was traditional in Ontario to state that a corporation incorporated under the laws of this province would have the power “to acquire by purchase, lease or otherwise and to hold any land or interest therein necessary for its actual use and occupation or for carrying on its undertaking and, when no longer so necessary, to sell, alienate and convey the same.”

There was and is this further provision in the Corporations Act: “No corporation and no trustee on its behalf shall acquire or hold any land or interest therein not necessary for the actual use and occupation of the corporation or for carrying on its undertaking or not held by way of security for more than seven years after its acquisition if the land was never so necessary or after it has ceased to be so necessary.”

The Corporations Act further provides: “The Lieutenant Governor in Council may extend the period of seven years mentioned. . .but no such

extension or extensions shall exceed five years in all."

I do not argue for the specific merit of the exact wording of the sections in the Corporations Act, but I want the House to understand that the Ontario Law Reform Commission, in its report to this assembly, very carefully took the trouble to recommend, and I quote from recommendation 6 on page 24 of the commission's report of 1976:

"Consideration should be given to the enactment of an amendment to the Business Corporations Act similar to section 306"—as it then was; now sections 275 and 276, which I have just quoted—"of the Corporations Act requiring the sale of land within seven years after it is no longer required for actual use of a corporation or for carrying on its undertaking."

The House should be quite aware that this government, for whatever reasons it may choose, has decided that corporations incorporated under our laws in Ontario shall be subject to no restriction on their capacity and ability to hold or own land in the province.

It is fair to say that the recommendation was also made in the report of the law reform commission that our extraprovincial corporations legislation, which applies to corporations incorporated elsewhere than under the laws of this jurisdiction, should be similarly subject to the same kind of limitation on their capacity to hold land and the length of period—not on their capacity to hold that land but on the amount of land, the purposes for which it would be used and the duration of the period of time during which it could be held.

It was proposed that the vacuum which would occur when we repealed the Mortmain and Charitable Uses Act, in so far as those corporations not incorporated under this jurisdiction but holding land in Ontario are concerned, could be filled by the introduction into the new extraprovincial corporations act of a provision similar to that to which I have referred as now contained in section 276 of the Corporations Act of Ontario.

The distinction may be a little bit confusing to members of the House who are not familiar with these acts, but the Corporations Act of Ontario used to deal with the whole range of corporations incorporated here; it now deals only with corporations without share capital, or nonbusiness corporations, because of the change that took place.

It does not alter the force of the law reform commission's argument, which in my view is

absolutely essential, that the government should have given adequate consideration to the policy considerations underlying the concerns that were drawn to the attention of the government in the report of the law reform commission.

It is a serious omission. It is important that the Legislature be aware that while we are continuing to impose limitations on the nature and extent of the holding of land by charitable organizations and providing very effective procedures for divesting charitable institutions of land, we are saying to the business corporations of this province, "We are not interested in how much land you may own or hold."

The comments made by the Ontario Law Reform Commission with respect to scarce resources, the degree of concentration of economic power as a result of the ownership of land and all of the consequences that flow from this kind of concentration of power are now being abdicated by this government.

12 noon

That was, of course, in a sense a control operation. There is at least an argument to be made in this province for the proposition that there should be some method by which to monitor, in a central registry, through the Ministry of Consumer and Commercial Relations or whatever is the appropriate body, the amount of land, the location of the land and the extent and degree of the holding of land by business corporations in the province.

I know that the member for Huron-Middlesex (Mr. Riddell) has raised on a number of occasions, as my colleague the member for York South (Mr. MacDonald) and many people in this assembly have raised with the ministers of Agriculture and Food of the province, the question of the extent and degree of foreign ownership of agricultural land, and the extent and degree of the penetration by individuals, let alone corporations, of the ownership of agricultural land in the province.

We certainly believe that to the extent that agriculture is carried on through business corporations of one kind or another—or agrocorporations, as they are sometimes called—there should have been a complementary provision in another bill to be introduced into this assembly to at least monitor the extent and degree of the corporate ownership of land in specified fields, if the government does not choose to do so in all of the fields, of activity of business corporations.

The report of the Ontario Law Reform Commission gave very clear and compelling reasons

why the policy questions at least deserved adequate consideration, yet when the minister introduced this bill in the assembly there was no specific reference at that time to these policy considerations, which have been ignored by the government, and I want to draw the attention of the House to that serious omission.

At the time the report was made the law reform commissioners examined very carefully the case of the legislation in Prince Edward Island with respect to the ownership of land and the constitutional issues involved in that case. This is not the time or the occasion to outline the particulars of that case, but I do want to quote what they say in their report on page 18:

"It should be noted that the Morgan case does not decide whether legislation directed solely at persons not resident in Canada would be valid. A strong argument can be made that such provincial legislation would be valid. The case does appear to say that legislation of this type may be directed to either aliens or citizens or both aliens and citizens who reside elsewhere than in the province, subject, of course, to the foregoing test."

There is a particular test set out above that the legislation must not be colourable legislation; it must deal with property and civil rights, which are totally within the jurisdiction of this assembly, and not under disguise deal with citizenship and aliens, which is a matter, of course, reserved to the federal government.

The arguments are put forward, and the discussion of that case takes up several pages in the report; it deserves serious consideration by anybody considering the question of whether or not it is in the public interest of Ontario that land be controlled by persons who are not Canadians or not residents in Ontario or landed immigrants resident in Ontario. Those questions have never been addressed by this government. It seems to be unable to understand the economic power and wealth that go with the ownership of land in the province, or seems not to care about the implications. Certainly the Attorney General (Mr. McMurtry) may have his own personal views about it, but those in charge of the economic destiny of this province have never shown any interest of any kind in that kind of provision.

I may say that, while I did not sit on the committee, this Legislature had a select committee on economic and cultural nationalism, which sat some years ago. The report of the Ontario Law Reform Commission has this to say:

Having said that in respect of the Morgan case, "it would appear, however, that carefully drafted legislation would avoid the constitutional restrictions," the report then goes on, "The province of Ontario has already acted in this respect in controlling foreign investment, principally in the case of financial institutions and, more recently, in controlling foreign ownership of certain types of land in this province."

I will be interested in what the Attorney General has to say about that. My opinion now is that, at this present time, the ownership of land by business corporations is unrestricted in any way.

Going further on in its comments, "Furthermore, the select committee on economic and cultural nationalism has made a number of recommendations which would have the effect of ensuring that future acquisitions of land generally be substantially restricted to Canadian citizens and landed immigrants resident in Canada and corporations or ventures owned substantially by Canadian citizens or landed immigrants resident in Canada."

It is not fashionable now, perhaps, to deal with the recommendations of that committee, but at this time in the economy of the province, in my view, it is extremely important that the recommendations of the select committee on economic and cultural nationalism should be looked at again in the light of the difficulties we are having in the economy of the province and in the economy of the country. We should determine whether it is not an appropriate response to make certain that the land of this province has the kinds of restrictions that were recommended, I believe almost unanimously, by the members of that select committee.

I may say that the party to which I belong passed at its recent convention in February of this year, its resolution on this question. I want the House to understand what the New Democratic Party assembled in convention in February of this year had to say about this question of land ownership, particularly in its absentee aspects and related to the communities of Ontario. The resolution was introduced, interestingly enough, by the New Democratic Party riding association from the riding of Huron-Middlesex. It was passed after debate and consideration in the convention, and I quote the resolution:

"Whereas absentee and nonfarm corporate purchasing of Ontario farm land is having a serious and undesirable impact on local communities now; and whereas such a change has

disastrous implications regarding who controls our food land resources and the food production sector of our economy; and whereas we are now well aware of the problems created by absentee control of other sectors of our economy; therefore, be it resolved that the Ontario New Democratic Party press for immediate restrictions being placed to prevent absentee and nonfarm corporate ownership of Ontario farm land; and further, be it resolved that a time limit be imposed during which current absentee and nonfarm corporate owners must divest themselves of their Ontario farm land holdings."

Mr. Speaker, I commend to the assembly the report of the law reform commission. It states in a very succinct, clear and concise way the problems related to the vexed question of the ownership of land. The policy considerations that were of concern to the commission have not been dealt with in so far as corporations are concerned. They have, however, been dealt with and we are dealing with them in so far as charitable uses are concerned and they have been dealt with in so far as religious organizations are concerned.

12:10 p.m.

But in keeping with the hands off, laissez-faire, inadequate, inappropriate response of the government to the economic life of the province, it has decided in its wisdom or unwisdom that the whole question not only of the monitoring of the ownership of land by business corporations in the province will be ignored, but it has also clearly indicated that it is not interested in any way whatsoever in drafting the careful legislation which would protect the ownership of land for Canadian citizens and landed immigrants resident in Canada, and would make certain that part of the patrimony of this province, the basic land of the province, would not be owned outside the country.

Those are matters which distinguish the Conservative Party from this party in a clear and special way. I have never understood the rationale of the Conservative Party which has had no interest whatsoever in the extent and degree of the penetration of the ownership of land in this province by foreign corporations. It has expressed little if any interest in the special and particular circumstance of agricultural land in the province. It has no interest whatsoever in the extent and degree of the ownership of land by corporations generally, let alone foreign corporations.

That does not alter the fact it is time we got rid of this archaic bill because it was not fulfilling any of those purposes. It could have, if

it had been carefully monitored over the years and adapted to bring it into line with modern needs. But the province had not touched the Mortmain and Charitable Uses Act for many years. Its archaic nature is known only to lawyers and its repeal is an essential ingredient.

Why the government would leave the vacuum in one of the three fields covered by the report is beyond my comprehension. I leave it at that. There have been other occasions when colleagues of mine have spoken on the issue. The anachronism of the Mortmain and Charitable Uses Act should be removed from the statute. It does not alter the fact we are aware of the abject abdication by the government of its responsibility with respect to the ownership of land in this province by corporations.

Hon. Mr. McMurtry: Mr. Speaker, I appreciate the thrust of the remarks of the member for Riverdale (Mr. Renwick). As I understand our existing corporation law, corporations can only hold land for actual use or occupation or carrying on a business in this province.

Probably in this province we should at least have a better information base than we do as to land holding. In that context, perhaps some additional initiatives are required. This is a very important subject. It is a matter of equal interest to members on this side of the House, I can assure the member for Riverdale. At the same time, we also recognize that we are a province and country that requires foreign investment. We do not want to create the impression that foreign investors are unwelcome.

Motion agreed to.

Ordered for third reading.

UNIFIED FAMILY COURT AMENDMENT ACT

Hon. Mr. McMurtry moved second reading of Bill 135, An Act to amend the Unified Family Court Act.

Hon. Mr. McMurtry: As I indicated in the introduction of this bill, this is just to extend the unified family court in Hamilton-Wentworth and place it on a permanent basis.

I think the member for Riverdale (Mr. Renwick) has expressed some interest in having access to any evaluations that have been done in so far as the unified family court is concerned. My information is that an independent evaluation has been done. It is a very positive evaluation, but it is true that it has not yet been released. We wish to release it, but under the terms of our agreement with the federal government, that

agreement which led to the creation of the unified family court in Hamilton-Wentworth, we require consent to the release from the federal government. We are presently seeking that consent and, I hope, will obtain it as quickly as possible, because we think it should become a public document.

As I stated at the introduction of this legislation, the unified family court has received a great deal of acceptance in the Hamilton-Wentworth area by the public and the profession, and it is serving a useful purpose. Obviously, the desirability of trying all family disputes within the framework of one court is the goal throughout the province. We are optimistic that an early amendment to the federal constitution will be obtained in order to achieve this without having to go through the rather awkward model of the Hamilton-Wentworth unified family court. All provinces and the federal government agreed to such an amendment in the summer of 1980. I do not believe there has been any change in that respect.

Mr. Elston: The change of government didn't make any difference?

Hon. Mr. McMurtry: No, I think the change of government occurred before then.

I want to introduce a bill today that is a companion piece of legislation to the Unified Family Court Amendment Act. That is a bill entitled An Act to amend the Provincial Courts Act. This is simply to make it clear this is a housekeeping amendment in order not to revive the former family court in Hamilton-Wentworth. The way the provincial family court is structured we require this amendment; otherwise the former family court would be revived. What I would like to do, Mr. Speaker, is to obtain the unanimous consent of the House to the introduction of this companion piece of legislation.

Agreed to.

INTRODUCTION OF BILL

PROVINCIAL COURTS AMENDMENT ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mrs. Birch, first reading of Bill 144, An Act to amend the Provincial Courts Act.

Motion agreed to.

12:20 p.m.

Hon. Mr. McMurtry: Mr. Speaker, I have already explained that this amendment is necessary so we will have only one family court in Hamilton-Wentworth.

The Deputy Speaker: On the second reading, then.

Hon. Mr. McMurtry: To revert back to second reading of Bill 135.

Mr. Elston: Mr. Speaker, I think that is fine. I would like to see a copy of the wording of it, that is all.

The Deputy Speaker: Are we on second reading, member for Huron-Bruce?

Mr. Renwick: Mr. Speaker, on a point of order: I have no concerns, subject to the provisions of the rules that this bill can be proceeded with at the same time as the bill we are now dealing with through its various stages. But I am guided by whatever the rules require.

The Deputy Speaker: Unfortunately, you hit your microphone, and I missed the part where you said something about the rules.

Mr. Renwick: I will try to avoid that this time. My point of order is that because this bill is obviously a necessary companion piece to the bill that is presently before us, for the reasons just stated by the Attorney General, I have no objection, if the rules permit, to processing this bill through the assembly today.

The Deputy Speaker: I would imagine that has unanimous consent.

Agreed.

ORDERS OF THE DAY

UNIFIED FAMILY COURT AMENDMENT ACT (continued)

The Deputy Speaker: Just for the sake of convenience, let us continue discussion on the second reading of Bill 135. Then if we would like to revert, the Clerk advises me, we can call the other. So, speaking to Bill 135, then.

Mr. Elston: Mr. Speaker, a worthwhile project has been developed in Hamilton-Wentworth with respect to the unified family court. Like my friend the member for Riverdale (Mr. Renwick), I look forward to the reports that are to be made available to us to follow up on the very important work being done there.

When I was in university one of the people who was involved with the development of the unified court system, His Honour Judge Thomson, often spoke about the work that was being done. I followed the development of the program through his career and participation, and I looked forward to having something brought before us much sooner than there has been

opportunity for from the important experiment that has been taking place in Hamilton.

As is the case with a number of us from the smaller areas, we are likely to be the last to realize the benefits of the very important work that is going on. I want to ask the Attorney General to carry on his efforts to get permission to have the reported material made available to us so we can get on with the very important job we were discussing even yesterday in the estimates of the Justice secretariat, that is, to make a society in Ontario in which everyone can participate on an equal and fair footing throughout the province.

It seems to me that when we have programs like this spotted in various areas, some of us who are outside the general flow of the vanguard of developments in the administration of justice and other fields often are left until the very end, and often the members of the professions in those areas have to bear the brunt of the bad publicity that comes from the fact that there are waiting lists because there are few staff and only a few sorts of procedures available to us there.

I want to commend the Attorney General for bringing in this piece of legislation, as with all the others. In this case, if this were not before us we would end up with no unified court at all. Maybe we should be dealing with some of these matters a little more quickly than we have been recently. That is probably the only complaint I have. There are a number of housekeeping issues that still await us in the ministry, particularly with respect to the issues I raised earlier about other areas, outside Metropolitan Toronto.

I also want to say it is a pleasure to see that the minister, in this legislation, is making sure we do not fall behind in the development of the laws which we are making available to other court jurisdictions—I make this comment with specific reference to the availability of the Children's Law Reform Act, which I am quite sure we will be getting to—and also in implementing the programs which will allow the enforcement of garnishees and other such orders through this particular court.

I realize how difficult a task it is to keep up with all of the various court systems and to try to make sure all of the orders, agreements and so on are enforceable here, there and everywhere through all our court systems. Perhaps that is a reflection of the problem we are having from the standpoint of operating a number of partially disjointed experimental-type programs throughout the province.

Perhaps when we are able to put everything

together in a concerted province-wide program we will be much better off and will be able to have all of the practitioners in the province being able to operate under the same set of rules, and not being penalized, for instance, if they happen to live in the riding of Huron-Bruce and must then drop down to the regional municipality of Hamilton to conduct a case where a former resident may have decided to go. I look forward to the time when we standardize those administrative procedures to allow all Ontario citizens an opportunity to participate in the system on an equal footing.

Mr. Renwick: Mr. Speaker, the Attorney General has referred to a matter which I raised in the estimates of the Provincial Secretariat for Justice, yesterday, about my concern that before we are asked to continue indefinitely these experimental or project-type courts, which are put before us as experimental courts and developmental courts and courts which are definitely projects of law reform in the administration of the courts, we should have the commitment of the government that we will get the evaluation reports.

I am not going to elaborate any further on the point, but I am going to ask, to stress the point I want to make, that the bill go into committee of the whole House so that I can move an amendment to section 6 to provide that this act be repealed on July 1, 1983, to give the Attorney General an opportunity to table in the assembly for consideration by the members of the House, particularly by the members from the Hamilton area in which the court exercises its jurisdiction, to decide whether the evaluation indicates that the court should be continued.

I find it difficult to comprehend that the confidentiality of this matter as between the provincial government and the federal government would refuse the Attorney General the opportunity to share that evaluation with the House. I think it is wrong in principle for the Attorney General to introduce into this assembly a project with a limited duration to reform a court and expect the House, without any further explanation, to accept his word that it is operating very well and agree to make the court a permanent part of the court system of the province.

I have no special knowledge, of course—I never know anything about the government's plans—but it would appear to me that in all likelihood we will receive a bill one of these days to provide for unified family courts in each of the judicial districts in the province following

along this kind of model. We will have the discussion again, and we will be told that it is the Hamilton-Wentworth project which has foreshadowed the extension of these courts across the province; and in some strange way as an assembly we will never have considered, either in the House or in committee of the whole House, the evaluation study to determine whether it is or is not an improvement in the administration of justice.

12:30 p.m.

I am a sceptic about the improvement in the administration of the court. It is very easy to do some institutional juggling in the courts of this province and then indicate, "It must be better now it is unified than it would have been if it had not been unified." Everybody knows that on the surface the concept of the unified court is a good one.

The institutionalized arrangements and the conferring of a centralized form of jurisdiction in the question of the appointment of the judges, the control of the province with respect to the federal government over the appointment of those judges, the way in which the procedures are expedited in the courts, the processes of the courts, whether the satisfaction of the claimants and the defendants or the respondents in those courts are being satisfactorily met, and whether the vexed questions which led to the experiment are solved by the court, are matters which should not be left to the casual introduction of a bill such as this in the assembly.

There is no point in conducting experiments to change the court system of this province unless this assembly is satisfied the process is useful.

I am not one for looking back into history, but everyone knows that the process of reforming the courts puts all the judges in this province on edge. They get very anxious and nervous about what is happening.

Since the previous Attorney General lost his seat in the cabinet over his version of reform of the court system, the method adopted by this Attorney General was to establish certain experimental projects. If they became part of the woodwork, then he would make them permanent. I assume shortly in this parliament we are going to have an indication that the unified family court is a concept which should be spread right across the province.

The issues are too important. The project and the experiment is a vital and significant one. For this assembly to stand idly by and say, "Yes, of course we will amend the bill to provide that this

is now a permanent court in the province," without any consideration of the report, is a matter of principle to me, if there is in this day and age a matter of principle.

To emphasize my point, I will ask that the bill go to committee of the whole House. I will move that the life of this court be extended, not indefinitely but for one year in order that an appropriate committee of this House can receive the evaluation report and have it considered, as I believe it appropriately should be, by the standing committee on administration of justice to see whether all the good things that were forecast for the experiment are achieved.

In scientific terms, the hypothesis of a unified court is a useful hypothesis. Its value as a final solution of the problem of the family court jurisdictions, dispersed as they were among a number of courts, depends upon an evaluation of the success of that process.

I have spoken rather briefly but, I suppose because of the nature of the issue I have raised, rather at length, to let the Attorney General know I am not satisfied with it. I do not know what his intentions are with respect to the other experimental project which exists in Metropolitan Toronto in Scarborough. I believe it is called the provincial civil jurisdiction court, which was an experiment to try to deal with the vexed questions of small claims in a special context to see whether it would work in a better way than the small claims courts are working, and whether it should be developed on a pilot project basis for extension across the province.

I would say to the Attorney General, to the extent I can give him any warning at all, perhaps I will call my friend the member for Rainy River (Mr. T. P. Reid) in to support me if it is necessary to delay the passage of that bill when the time comes until we get an evaluation report on that part.

Mr. Elston: You are really only requesting full debate on it if you want the member for Rainy River to come in.

Mr. Renwick: Thank you. Whatever point I have to make, I believe I have made it.

The remainder of the provisions of Bill 135 appear to me to merit consideration. I may say to the Attorney General that our party is totally in support of the concept as it was originally put before us. The records of the original debate, which I have read and reread, and of the debate on the amendment to the bill a couple of years ago when we extended it for a further period of time, amply indicate the position of this party and its support of the concept. My point is

simply that we are not going to give the Attorney General a blank cheque to make this court a permanent feature of the judicial system of the province without an opportunity to consider the report.

Ms. Bryden: Mr. Speaker, I would certainly support the amendment my colleague the member for Riverdale proposes to move in committee. That would be to defer acceptance of the extension until such time as we do get an evaluation report. We are being asked to buy a pig in a poke with this legislation. We have heard that the unified family court has been doing some useful work in Hamilton, but we do not have the official evaluation that was expected at the end of the five-year period. I do not know if the deadline is so imminent that we cannot wait for that evaluation.

I would like to ask the Attorney General to comment on the statement by one of his senior law officers, Mr. Chester of the policy development division, before the standing committee on social development on May 11. He stated: "There is also the possibility of extending the project on a designated area basis across the province in much the same way as we have extended bilingual court services, for example. Where we have the capacity and capability, then it will be extended by order in council, but that is only one option at the present moment."

I would like to ask the Attorney General whether the government does have the option of extending it across the province. Does it not also have the option of extending the present experiment for a further time by order in council if the deadline should come before this House gets an opportunity to discuss the evaluation report? I certainly feel this House should have an opportunity to discuss the whole concept of the unified family court and where it fits into our judicial system. We should also have some sort of position from the government on whether it intends to extend this principle to the whole province, if the evaluation report is favourable, and what staging it plans for this extension.

If, in this legislation, the government is simply thinking of carrying on what is really a token pilot project for an indefinite period and not extending the principle, if the principle is found to be acceptable, then I think we are short-changing our justice system. We should have some statement from the government at the time we consider the extension. That is why I think it is worth while to change this bill until such time as we get the evaluation.

I would like to point out that the problem of violence in the family is a matter of great interest these days, as I am sure all members know. We have had a report from a federal committee stating that one in 10 women suffer battering in the home at some time in their lives and that very few convictions are obtained under the Criminal Code. The present court system does not really support them adequately in prosecuting or preventing this kind of violence.

12:40 p.m.

As members may recall, I have placed a resolution on the Order Paper calling for a study of the question of violence in the family, including a review of the court system and its effect in dealing with this very serious problem. The standing committee on social development has undertaken to hold public hearings this summer.

The Deputy Speaker: Well, speaking to the bill—

Ms. Bryden: I am speaking to the bill, Mr. Speaker, because a unified family court should be part of the discussions that the social development committee will be holding this summer. Before those hearings are held, we would like to have some statement from the government on its intentions in developing the unified family court system; but first we would like to have the evaluation report. I hope the minister will urge the federal government to get that evaluation report released before those hearings are held. Then we can have a much better discussion on the role of the unified family court in the prevention of violence.

I also want to draw the attention of the Attorney General to another statement Mr. Chester made before the committee on May 11, when we were discussing the constitutional problem. He did say he thought there was a serious constitutional problem which might prevent the extension of the unified family court throughout the province.

I asked him specifically, "Do you really feel that there are constitutional barriers in the way of extending the unified court system throughout Ontario, or are we fairly free to go ahead and extend it?" Mr. Chester replied, "As I understand it, there are some very real constitutional restraints on the ability of the province, even through federal and provincial bilateral agreements such as the one which led to the establishment of the unified family court in Hamilton-Wentworth; there were some very

real problems in structuring that across the province."

While the Attorney General did mention the constitutional question, I think it is something that should be very actively looked at so we are sure that if we do want to extend this system, we do have the constitutional situation where we can do it and do not have to rely on bilateral agreements as we did in the Hamilton-Wentworth case.

I know that the situation regarding the position of battered women is becoming so acute that interval houses or transition houses are springing up all over the province to assist those women who are battered; they also need assistance in the courts. Therefore, we should be looking at all measures that can improve the court system; not just the unified family court, but other measures as well. We also should be considering very carefully the role that the unified family court can play in solving the problem of those women who are suffering assault and are not being protected by our present law system.

I hope the Attorney General will reply to these comments.

Hon. Mr. McMurtry: Mr. Speaker, I have no objection to having this bill go to committee of the whole House, but I would be very reluctant to accept the amendment restricting the life of this court to yet another year.

We are certainly prepared to share any evaluation of the project with the members opposite. I would say, with great respect, if the members opposite had shown the slightest interest in any evaluation that had been done, we would have been very happy to share any information we had. For example, if this interest had been expressed after the introduction of the legislation, we probably could have expedited the consent of the federal government to release the evaluation, which we know will be forthcoming.

Because of the widespread acceptance of the Hamilton project, as the public and the professionals have already stated, I did not anticipate that this might become an issue. I can assure the members opposite that they will find the evaluation a very positive document. We expect that the evaluation will be released publicly before third reading of this legislation, but until that time we are prepared to let any member of the Legislature review the evaluation—although by the terms of our agreement we are actually unable to release it.

With respect to the concept spreading throughout the province, this is not something that can

be done by order in council. The unified family court concept can be spread into other areas of the province only by legislation which we do not have at present because we are awaiting a change to our Constitution. It would not be in the interest of the administration of justice in this province to have a family court bench in the province that is fragmented, by which I mean a number of the judges having resigned their provincial court appointments and received federal appointments, while others have not gone that route.

The honourable member talks about constitutional difficulties. It is true there is a constitutional impediment we have had to wrestle with over the years—and it led to the unique model that came into existence in Hamilton-Wentworth—which is section 96 of the Constitution, with respect to the full family court jurisdiction of the court. This was the one area in which we received total and absolute agreement from all of the provinces and the federal government in the summer of 1980 leading up to the first ministers' conference of September 1980. There has been no change in attitude so far as I have been able to detect.

I would like to state at this time that it is my intention and goal to create unified family courts throughout the province, because this will result in a much greater degree of accessibility, so far as the public is concerned, to the administration of justice in the crucial area of family disputes. As soon as we have the constitutional authority to bring in the appropriate legislation so as to cloak our provincial family courts with this jurisdiction, it will be done. As far as I am concerned, it is a high priority of the Ministry of the Attorney General.

The Deputy Speaker: Mr. McMurtry has moved second reading of Bill 135.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Ordered for committee of the whole House.

12:50 p.m.

PROVINCIAL COURTS AMENDMENT ACT

Hon. Mr. McMurtry moved second reading of Bill 144, An Act to amend the Provincial Courts Act.

Mr. Elston: Mr. Speaker, I just want to say that we support the idea behind this piece of legislation. Obviously it would cause some mild degree of headache to the Attorney General if

he had the existence of the provincial court pop up in the middle of developments in Hamilton.

In relation to the arguments raised by the member for Riverdale (Mr. Renwick) with respect to withholding approval of the unified family court's existence for more than a one-year period, I think in looking at this piece of legislation, and for the degree of certainty we should have, we should get on with the house-cleaning of legislation as quickly as we can so people can be sure what sort of system is going to be available to them in the areas where the unified family court has been in existence, so that we can do—

Mr. Laughren: House-cleaning or housekeeping?

Mr. Elston: Both. This obviously is house-cleaning inasmuch as I suppose we are going to dispose of—I was going to say one of the anachronisms, but it is not that quite yet, because we have not dealt with the final reading of the Unified Family Court Amendment Act in that area. But we will lend our support to this legislation, bearing in mind that we would have some problems if, for some reason, the amendment which is to be put by the member for Riverdale actually survives its introduction in committee of the whole House with respect to the previously discussed bill.

Mr. Renwick: Mr. Speaker, I am quite content that the bill go past second reading. This is the companion bill to that which the Attorney General introduced into the House a few minutes ago, obviously to eliminate an oversight, and I have no problem with the bill.

I just want to compliment the Attorney General on the good try to shift the blame to us for not asking for the evaluation report. I was just examining the outside cover of the bill—perhaps the minister had not had a chance to look at it—which says first reading of the bill was on June 3. This is now June 11. Perhaps there is some delay. Perhaps he would have been able to extract the report.

I would like to put it right back in his court. The sooner he gets the report, the better it will be for us. I understand he is going to have it before this bill gets third reading. Third reading will have to be before June 30, as I understand it, or the court will disappear the next day. If he still has any communication with the federal government, perhaps he could arrange for it to

be sent down over the weekend and we could look at it on Monday.

Motion agreed to.

Ordered for third reading.

House in committee of the whole.

CHARITIES ACCOUNTING AMENDMENT ACT

Consideration of Bill 3, An Act to amend the Charities Accounting Act.

On section 1:

Hon. Mr. McMurtry: Mr. Chairman, I have an amendment to subsection 6b. I do not know if there are any amendments before that.

Mr. Chairman: Are there any proposed amendments up to but not including subsection 6b?

Mr. Renwick: Mr. Chairman, I just have one comment on the first section. I would like the Attorney General to confirm my understanding that this bill, the Charities Accounting Amendment Act, does not affect in any way any of the capacities and powers that are granted by this assembly under chapter 448 of the Revised Statutes of Ontario, 1980, the Religious Organizations Lands Act.

Hon. Mr. McMurtry: That is my understanding, Mr. Chairman.

Mr. Renwick: Thank you.

Mr. Elston: Mr. Chairman, I just have a question about the definition of charities and things; it is a very broad area that we get into.

I wonder whether the Attorney General would care to comment on clause 6a: “‘charitable purpose’ means, (iv) any purpose beneficial to the community.” I wonder whether or not he is going to develop any sort of policy to help us, as members of the legal profession or whatever, determine what might and what might not be of benefit to the community, because in setting up a charitable organization I can think of developing all sorts of programs that we might get into.

Is he thinking of “community” as a municipality or perhaps as a group of municipalities? And what is his thinking around “any purpose beneficial”?

Mr. Renwick: Mr. Chairman, I have a similar question of the Attorney General on this question of the Charities Accounting Amendment Act. I did not really expect to get into it, but I would like to do so very briefly.

Would the Attorney General consider the Riverdale New Democratic Party riding associ-

ation as a charitable purpose that is being served in Riverdale?

Hon. Mr. McMurtry: Certainly not under the definition the member for Huron-Bruce just stated.

Mr. Renwick: It is a purpose obviously beneficial to the community.

Mr. Chairman: Hon. Mr. McMurtry moves that the words "use and occupation" be deleted from the following provisions of the act as contained in the bill: the second line of clause 6b(1), the first line of clause 6b(2)(b); the first line of clause 6b(2)(c), the first line of clause 6b(5)(b); the first line of clause 6b(5)(c), the second, third and fourth lines of subsection 6b(6); and that the words "use or occupation" be substituted therefor in each instance.

And further that the words "used and occupied" be deleted from the following provisions of the act as contained in the bill: the first line of clause 6b(2)(a) and the first line of clause

6b(5)(a); and that the words "used and used or occupied" be substituted therefor in each instance.

Mr. Elston: Mr. Chairman, this is one of the matters that I wanted to bring to the attention of the Attorney General, and he was kind enough to introduce me to Mr. Perkins, who I might note was well on the job and prepared to go ahead with these suggested changes, because we were concerned about not only having to "use" but also to "occupy," as the previous wording of the section indicated. We will support the amendments.

Motion agreed to.

Section 1, as amended, agreed to.

Sections 2 and 3 agreed to.

Bill 3, as amended, reported.

On motion by the Hon. Mr. Gregory, the committee of the whole House reported one bill with a certain amendment.

The House adjourned at 1 p.m.

APPENDIX

ANSWERS TO QUESTIONS ON NOTICE PAPER

ONTARIO INTERNATIONAL CORP.

150. Mr. Nixon: How many brochures entitled Ontario International Corp. were printed and at what cost? What advertising or consulting agency assisted with the program and design and at what fee? Will the brochure be reprinted now that the name of the minister is incorrect? [Tabled May 14, 1982].

Hon. Mr. Walker: For the two fiscal years 1980-81 and 1981-82, 90,000 pieces of literature, packaged in 8,000 jackets, were printed at an average unit cost of \$1.34 and at a total cost of \$121,038.44, which included \$62,768.66 for the development, design and implementation services of William Edwards Creative Productions Ltd.

Current brochures include the new ministry title and minister. Older brochures in stock will not be reprinted. Information about the new ministry will be attached by sticker over old stock.

These brochures are the tools the Ontario International Corp. uses to sell Ontario's expertise worldwide. This literature is distributed to the United Nations, World Bank, African Development Bank, Asian Development Bank, foreign governments, Canadian embassies, foreign trade development companies, and domestic and foreign banks.

GOVERNMENT AUTOMOBILES

162. Mr. Boudria: For the period April 1, 1982, to the present, which members of the assembly other than members of the executive council made use of government automobiles? For each member, list the number of trips; purpose of trip; passengers, if known, and driver, if any. What was the cost of supplying the service, per member and in total? [Tabled May 18, 1982].

180. Mr. Boudria: For the period April 1, 1981, to March 31, 1982, which members of the assembly other than members of the executive council made use of government automobiles? For each member, list the number of trips, purpose of trip, passengers if known, and driver if any. What was the cost of supplying this service, per member and in total? [Tabled May 20, 1982].

Hon. Mr. Snow: It is not government policy to

require the Bay Street garage to maintain this information.

163. Mr. Boudria: How many motor vehicles are maintained in the government of Ontario motor pool in Toronto? What are the makes and model years of the automobiles? Who, other than members of the assembly, has access? What are their names and positions? [Tabled May 18, 1982].

Hon. Mr. Snow: 1. The total number of pool vehicles used in the government repair garage is 10.

2. The following is a list of automobiles used for the pool service at the government repair garage:

Number	Year	Make	Model
1	1977	Buick	Le Sabre
1	1977	Pontiac	Parisienne
2	1978	Chevrolet	Impala
3	1979	Chevrolet	Impala
1	1979	Pontiac	Parisienne
1	1980	Plymouth	Gran Fury
1	1981	Chevrolet	Impala

3. Deputy ministers, chairmen, commissioners, agency heads and other Ontario civil servants of equal status have access to the service supplied by the government repair garage.

4. For names and positions of the above, please refer to the government of Ontario telephone directory.

164. Mr. Boudria: What are the models, years and individual costs of the automobiles supplied to members of the executive council? What is the cost of maintaining this fleet?

Hon. Mr. Snow: The following is a list of automobiles supplied to members of the executive council by model, year and individual costs:

Number	Year	Make and model	Price
1	1978	Chevrolet, Caprice	\$8,697.05
1	1978	Mercury, Grand Marquis	10,620.58
1	1979	Buick, Electra	11,837.41
1	1979	Oldsmobile, 98, Regency	11,235.00
1	1980	Buick, Century	11,021.00
1	1980	Buick Electra, Park Avenue	12,984.45
1	1980	Buick Electra, Park Avenue	14,348.00

Number	Year	Make and model	Price
1	1980	Buick Electra, Park Avenue	14,535.95
1	1980	Chevrolet, Cordoba	11,406.20
1	1980	Chrysler, New Yorker, 5th Ave.	14,624.76
1	1980	Oldsmobile, 98 Regency	12,041.81
1	1980	Pontiac, Parisienne Brougham	11,271.38
1	1981	Buick, Electra, Park Avenue	16,050.00
1	1981	Buick, Electra, Park Avenue	16,484.42
1	1981	Buick, Electra, Park Avenue	17,243.05
1	1981	Buick, Electra, Park Avenue	17,620.76
1	1981	Chrysler, New Yorker, 5th Ave.	15,136.22
1	1981	Chrysler, New Yorker	15,905.55
1	1981	Chrysler, New Yorker	16,761.55
1	1981	Oldsmobile, 98 Regency	12,997.29
1	1981	Oldsmobile, 98 Regency	16,693.69
1	1981	Oldsmobile, 98 Regency	16,706.11
1	1982	Buick Electra, Park Avenue	18,376.08
1	1982	Buick Electra, Park Avenue	Price not available at time of study
1	1982	Chrysler, New Yorker, 5th Ave.	17,464.54
1	1982	Mercury Cougar (propane)	12,015.00
1	1982	Mercury, Grand Marquis	16,237.78
1	1982	Mercury, Marquis Brougham	15,824.23
1	1982	Oldsmobile, 98 Regency	17,676.40
1	1982	Oldsmobile, 98 Regency	18,175.02
1	1982	Oldsmobile, 98 Regency	19,567.09

2. All maintenance costs related to the above-mentioned vehicles are the responsibility of the individual ministries with the exception of

the Ministry of Transportation and Communications.

The total operating cost for Hon. Mr. Snow's 1982 propane-powered Mercury Cougar was \$675 from the date of purchase, January 5, 1982, to April 30, 1982.

QUEEN STREET MENTAL HEALTH CENTRE

184. Mr. McClellan: Would the Minister of Health indicate how many patients at the Queen Street Mental Health Centre have wandered out of the centre without official leave during each of the months of January, February, March and April, 1982? How many of these AWOL patients were involuntary? [Tabled May 25, 1982].

Hon. Mr. Grossman:

	Number of patients AWOL	Number of AWOL patients involuntary
Month		
January 1	32	16
February 1982	30	18
March 1982	40	27
April 1982	48	28

The number of patients absent without leave increases during warmer months. Statistics for the same four months in 1981 indicate that there have been 48 fewer AWOL patients in 1982.

HAWKESBURY AND DISTRICT GENERAL HOSPITAL

185. Mr. Boudria: Would the Minister of Health table in the House the report on the administration of the Hawkesbury and District General Hospital prepared by Messrs. Christopher Wilson, PhD, and Michael Lalonde? [Tabled May 25, 1982].

Hon. Mr. Grossman: The Ministry of Health is aware that the board of governors of the Hawkesbury and District General Hospital engaged the management consulting services section of the Ontario Hospital Association to conduct a study on the administration of the hospital.

However, the study is a confidential matter between the hospital board and the Ontario Hospital Association. Accordingly, the ministry has not been involved in the study nor does it have a copy of the report.

RETAIL SALES TAX

188. Mr. T. P. Reid: Would the Treasurer

please indicate how his ministry arrived at the figure of \$110 million mentioned in his 1982 budget speech as the projected revenue for this year expected as a result of the application of the retail sales tax to all prepared food and meals at the single rate of seven per cent? Would the Treasurer please table any background studies, tables, calculations and memoranda which would clarify how this estimate was made? [Tabled May 26, 1982].

Hon. F. S. Miller: The 1982 estimate for the tax revenue from prepared food and meals was based on Statistics Canada expenditure and sales data (Cat. No. 63-536, and 63-204 and system of National Accounts, unpublished data), and on prior year tax revenues.

In the interest of budget security, I feel it would be inappropriate to table background studies, tables, calculations and memoranda that related to the formation of budget policy.

189. Mr. T. P. Reid: Would the Treasurer please indicate how his ministry arrived at the figure of \$230 million mentioned in his 1982 budget speech as the projected revenue for this year expected as a result of the elimination of certain exemptions from the retail sales tax? Would the Treasurer please table any background studies, tables, calculations and memoranda which would clarify how this estimate was made? [Tabled May 26, 1982].

Hon. F. S. Miller: The 1982 revenue from the taxation of previously exempt items was computed on a per item basis, using data from several sources. For some consumer items, numbers were derived from family expenditure data from Statistics Canada (Cat. No. 62-551). Revenue estimates in respect of other consumer items came from recent Statistics Canada trade surveys which are available to the public (Cat. No. 22-202, 22-203, and the Market Research Handbook, 63-224).

Institutional expenditures were obtained from other provincial ministries, from municipal and school board financial reports, and from the municipal transit office. Information relating construction was checked for accuracy using Statistics Canada data (Cat. No. 64-201). All data were compiled in consultation with the Ministry of Revenue (Mr. Ashe).

In the interest of budget security, I feel it would be inappropriate to table background

studies, tables, calculations and memoranda that related to the formation of budget policy.

TRIP TO EUROPE

194. Mr. Mancini: Would the ministry please provide the following information concerning the trip to Brussels taken by Phil Gillies, MPP for Brantford: (1). In what capacity has Mr. Gillies undertaken this trip? (2). When was the trip originally conceived? (3). When were the final preparations for the trip completed? (4). Would the ministry provide a copy of the agenda to be followed by Mr. Gillies? (5). What is the purpose of the trip? (6). Would the ministry provide the names and positions of the people accompanying Mr. Gillies? (7). What is the total cost of the trip? (8). Will Mr. Gillies be reporting to the House in any capacity as to the success of this trip? [Tabled May 28, 1982].

Hon. Mrs. Birch: Mr. Gillies undertook his trip to Brussels and Strasbourg as a member of the Progressive Conservative Party, to represent his party at a conference of young Conservative politicians from EEC countries at the Council of Europe. He was not accompanied by any other official or staff.

The trip was undertaken at Mr. Gillies' own expense and at no cost to the taxpayer. While Mr. Gillies will doubtless use information gained at the conference in speeches and legislative work, as he was not representing the Legislature at the conference, he will not be formally reporting to the House.

INTERIM ANSWERS

190. Mr. T. P. Reid: Hon. Mr. McCague—The information requested will require additional time to prepare. A response is expected on or about June 30, 1982.

191. Mr. Mancini: Hon. Mr. McCague—The information requested will require additional time to prepare. A response is expected on or about October 15, 1982.

195. Mr. Mancini: Hon. Mr. Snow—The ministry will require additional time to respond to the above question. The answer will be available on or about Thursday, June 17, 1982.

203. Mr. Mancini: Hon. F. S. Miller—The reply to this question will be available by approximately June 30, 1982.

CONTENTS

Friday, June 11, 1982

Statements by the ministry

Ashe, Hon. G. L., Minister of Revenue:	
Tax on nonprofit organizations.	2581
Grossman, Hon. L. S., Minister of Health:	
Immunization of school pupils bill.	2582
Walker, Hon. G. W., Minister of Industry and Trade:	
Sanyo Machine Works.	2582
Welch, Hon. R. S., Minister of Energy:	
Hydro exports.	2584

Oral questions

Ashe, Hon. G. L., Minister of Revenue:	
Tax on nonprofit organizations, Mr. Peterson, Mr. Wildman.	2585
McMurtry, Hon. R. R., Attorney General:	
Deaths at Hospital for Sick Children, Ms. Copps, Mr. Renwick.	2591
Stewart case, Mr. Renwick.	2592
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Tax on clothing repairs, Mr. Bradley, Mr. McKessock.	2593
Norton, Hon. K. C., Minister of the Environment:	
Hydro exports, Mr. Peterson, Mr. Foulds, Mr. Elston.	2587
Snow, Hon. J. W., Minister of Transportation and Communications:	
GO Transit services, Mr. Stevenson, Mr. Bradley.	2592
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities:	
Funding for education, Mr. Nixon.	2596
Heritage languages program, Mr. Grande.	2596
Walker, Hon. G. W., Minister of Industry and Trade:	
Job creation, Mr. Foulds, Mr. Peterson.	2590
Technology centres, Mr. Wildman.	2594
Welch, Hon. R. S., Minister of Energy:	
Energy rates, Mr. Foulds, Mr. Peterson, Mr. Swart.	2588

Petition

Road paving, Mr. Edighoffer, tabled.	2596
---	------

First readings

Immunization of School Pupils Act, Bill 142, Mr. Grossman, agreed to.	2597
Operating Engineers Amendment Act, Bill 143, Mr. Elgie, agreed to.	2597
Provincial Courts Amendment Act, Bill 144, Mr. McMurtry, agreed to.	2604

Second readings

Reciprocal Enforcement of Maintenance Orders Act , Bill 1, Mr. McMurtry, Mr. Elston, Mr. Renwick, agreed to.	2597
Surrogate Courts Amendment Act , Bill 2, Mr. McMurtry, Mr. Elston, Mr. Renwick, agreed to.	2598
Charities Accounting Amendment Act , Bill 3, Mr. McMurtry, Mr. Elston, Mr. Renwick, agreed to.	2599
Mortmain and Charitable Uses Repeal Act , Bill 4, Mr. McMurtry, Mr. Elston, Mr. Renwick, agreed to.	2600
Unified Family Court Amendment Act , Bill 135, Mr. McMurtry, Mr. Elston, Mr. Renwick, Ms. Bryden agreed to.	2603, 2604
Provincial Courts Amendment Act , Bill 144, Mr. McMurtry, agreed to.	2608

Committee of the whole House

Charities Accounting Amendment Act , Bill 3, Mr. McMurtry, Mr. Renwick, Mr. Elston, reported.	2609
--	------

Other business

Visitors , Mr. Wildman.	2581
Nuclear disarmament , Mr. Cassidy.	2584
Reorganization of Ministry of the Environment , Mr. Elston.	2596
Adjournment	2610

Appendix

Answers to questions on Notice Paper

Birch, Hon. M., Provincial Secretary for Social Development:	
Trip to Europe , question 194, Mr. Mancini.	2613
Grossman, Hon. L. S., Minister of Health:	
Queen Street Mental Health Centre , question 184, Mr. McClellan.	2612
Hawkesbury and District General Hospital , question 185, Mr. Boudria.	2612
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics:	
Retail Sales Tax , questions 188 and 189, Mr. T. P. Reid.	2612
Snow, Hon. J. W., Minister of Transportation and Communications:	
Government automobiles , questions 162, 163, 164 and 180, Mr. Boudria.	2611
Walker, Hon. G. W., Minister of Industry and Trade:	
Ontario International Corp. , question 150, Mr. Nixon.	2611
Interim answers , questions 190, 191, 195 and 203.	2613

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L., Minister of Revenue (Durham West PC)
Bernier, Hon. L., Minister of Northern Affairs (Kenora PC)
Bradley, J. J. (St. Catharines L)
Bryden, M. H. (Beaches-Woodbine NDP)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. G. (Renfrew North L)
Copps, S. M. (Hamilton Centre L)
Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)
Edighoffer, H. A. (Perth L)
Elgie, Hon. R. G., Minister of Consumer and Commercial Relations (York East PC)
Elston, M. J. (Huron-Bruce L)
Foulds, J. F. (Port Arthur NDP)
Grande, T. (Oakwood NDP)
Grossman, Hon. L. S., Minister of Health (St. Andrew-St. Patrick PC)
Laughren, F. (Nickel Belt NDP)
McClellan, R. A. (Bellwoods NDP)
McKessock, R. (Grey L)
McMurtry, Hon. R. R., Attorney General (Eglinton PC)
Miller, Hon. F. S., Treasurer of Ontario and Minister of Economics (Muskoka PC)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Norton, Hon. K. C., Minister of the Environment (Kingston and the Islands PC)
Peterson, D. R. (London Centre L)
Philip, E. T. (Etobicoke NDP)
Reid, T. P. (Rainy River L-Lab.)
Renwick, J. A. (Riverdale NDP)
Ruston, R. F. (Essex North L)
Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Stevenson, K. R. (Durham-York PC)
Swart, M. L. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Turner, Hon. J. M., Speaker (Peterborough PC)
Walker, Hon. G. W., Minister of Industry and Trade Development (London South PC)
Welch, Hon. R. S., Minister of Energy (Brock PC)
Wildman, B. (Algoma NDP)



Ontario, *LEGISLATIVE ASSEMBLY*

No. 73

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament
Monday, June 14, 1982
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, June 14, 1982

The House met at 2 p.m.

Prayers.

ORAL QUESTIONS

TAX ON CONFECTIONS

Mr. Spensieri: Mr. Speaker, in the absence of the Treasurer (Mr. F. S. Miller), I will ask my question of the Premier. It is concerning the effect of the seven per cent tax on the confectionery industry. In the hope that this government will reconsider this unnecessary tax, I shall read a letter from the president of Neilson's.

"The bulk of our product is sold to small neighbourhood stores and constitutes an important part of their total revenue. The resultant tax on candy bars and ice cream cones will reduce consumption and hence their revenue. It is hard to believe that the revenue accruing to the province can equal, let alone surpass, the cumulative negative impact, particularly at a time when the small retailers are facing serious economic squeezes resulting in many bankruptcies. The tiny amount of revenue generated by this discriminatory tax can hardly compare with the damage being done."

Are the Premier and the Treasurer now prepared to accept the word of the president of Neilson's concerning the impact on the province and is the Premier prepared to reconsider the imposition of this tax?

Hon. Mr. Davis: Mr. Speaker, I have always listened with interest to the judgement of the head of any company, large or small, and the president of Neilson's is no exception to that. I am not surprised that he expresses this point of view, because part of his industry obviously relates to the confectionery side and there is no question that people will be paying tax.

I think history will show that while there may be some initial reaction, ultimately consumption levels will retain their normal pattern and, in fact, the small retailer will not be prejudiced. From the perspective of the head of Neilson's, I do not think he could be described as being totally objective. I do not say that in any critical sense. If I were head of Neilson's I might write a comparable letter. My expectation is that the company's volume will not diminish over a period of time as a result of this tax.

The great problem is that one can single out any one item and say, in terms of the revenue that particular item produces, one could do away with the tax or not have it, but then one asks: "How many of those items? Where does it move from chocolate bars to something else?" I am sure one could obtain a comparable letter from the head of Coca-Cola, Canada Dry or Rowntree's. I could go through the whole list so everybody would have equal time. I do not think we should single out Neilson's. Its product is excellent, I would assume, although personally I have tried to stay away from that product in the past few months. But I think the view the company president is expressing would have application to a number of other producers.

Mr. Spensieri: In his letter, the president of Neilson's puts the position of the confectionery industry clearly on the record. The industry advocates that the basic sales tax exemption level be raised, not lowered, an idea supported by the Ontario Restaurant and Foodservices Association as well, I might add. It urges the Treasurer to classify confectionery as a food, thereby removing it from attracting tax liability. Why did the Premier not bother to consult with the major people in the confectionery industry before his Treasurer drafted his budget? Why will he not now allow, as he said, equal time so that eminent witnesses could come before a committee to present their views?

Hon. Mr. Davis: I am sure we could invite the head of Neilson's and the heads of many other confectionery producers, and with some measure of accuracy predict exactly what they will say. What they will say will be consistent with what the member would like his point of view to be, and I know what his point of view is, as he has already expressed it. It is not as though we were not aware of their points of view; it is not as though their appearance before a committee would bring any information or any point of view we are not aware of. It is very predictable.

If I were the head of Neilson's, if I thought this might have some short-term impact upon the volume of the product I was producing, I would come before a committee and say, "Members of the committee, as a producer of this particular commodity I am less than enthusiastic about the

tax." Does the member honestly think the head of Neilson's is going to change his mind in the next 48 hours and come to the committee and say, "Gosh, it's not such a bad idea"? The member knows that and I know it.

Mr. Nixon: He should have a chance to come and see us.

Hon. Mr. Davis: Listen, send me a copy of his letter.

Mr. McKessock: Mr. Speaker, in his letter the president of Neilson's also writes that the decision to extend the tax will reduce consumption of ice cream in Ontario. He goes on to state: "The confectionery industry has been hard hit by current economic conditions with many resultant layoffs. Last fall we were forced to lay off 120 employees. Should the current softness in the confectionery market continue, we will have no alternative but to lay off further employees or consider extended plant shutdowns." He goes on to write, "This move strikes right at the heart of Ontario's valuable dairy industry."

Before considering the tax on ice cream and confectioneries, did the Premier have any studies prepared, either alone or in conjunction with the Minister of Labour, on the effects of the new tax on the plant closures and layoffs in the confectionery industry? If he did, would he table those studies?

2:10 p.m.

Hon. Mr. Davis: Mr. Speaker, I am not aware of any studies of that nature. I will certainly take it up with the Treasurer. I must ask the honourable member, who I am sure knows, if he might inform the House at some point as to the present actual content of dairy product in ice cream.

Mr. Nixon: Are you suggesting there is no cream in it?

Hon. Mr. Davis: I am suggesting that the makeup of ice cream today is not quite what it was when I used to make it. I may be totally wrong but if the member is looking for my help in drafting a reply to the head of Neilson's, the member might seize upon one or two things that would reassure him.

I happen to believe—I could be wrong—that consumption of the product per se will not in the longer term and perhaps not even in the shorter term be affected by the amount of the tax. I think the member might say to the head of Neilson's that as a result of the revenues from this tax we have been able to relieve many of the small retailers he is concerned about of their small business corporations tax. In so far as annual net return to the small retailers is

concerned, this will be far more significant than a possible short-term modest reduction in the volume of the product they are selling.

TAX ON MEALS

Mr. Elston: Mr. Speaker, I also had a question for the Treasurer (Mr. F. S. Miller), who I understand is attending a wedding to try to ensure that enough tax is paid on meals catered by church groups. Instead, I will direct my question to the Minister of Revenue—who is becoming the Treasurer's hatchet man as it were—in regard to the sales tax on meals to be served at weddings as of today.

Why, when the Treasurer and the Minister of Revenue decided to exempt church suppers from this tax, did they not also decide to include in that exemption wedding receptions which were catered or served in churches by church groups? Does the minister not realize that when a church group provides food for a wedding, or even in some cases a funeral, most of the food is prepared by the ladies in their own homes or in the facility provided by the church?

In addition to the food which is donated by those ladies, the labour is also donated by them in order to keep the cost to a minimum. Does the Minister of Revenue feel the province needs the money so badly that he must tax food donated to a church when it is providing a meal for a wedding or a funeral?

Hon. Mr. Ashe: Mr. Speaker, the Premier (Mr. Davis) has already alluded to the particular question, "Do we need the revenue?" We can look at any specific area of our revenue sources and suggest that no, we really do not need that, we can get away with out that. But in actual fact, if it is not raised here it has to be raised somewhere else.

I think the very important question here is whether we want to keep some realism in the marketplace. Some members opposite may not subscribe to this point of view but this party still believes in the marketplace system.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Ashe: We would suggest that if there is any kind of organization, whether it is a nonprofit organization such as a church, or otherwise, that is in competition out there in the marketplace with other organizations who are there to make a profit, to provide jobs, to become taxpayers, then we feel it is only fair at least to give the same sense of competition

among the various organizations which deliver those services.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Ashe: Mr. Speaker, some of the members of the official opposition no longer subscribe to the free enterprise system—perhaps they have been too close to the third party for too long—but we still do. However, that does not mean we are in any way belittling the very important function carried on by charitable and other organizations in this province.

Mr. Elston: I wonder if the Minister of Revenue realizes that weddings are generally booked up to a year in advance and, therefore, every wedding that is to take place in 1982 will have its costs increased by an unexpected additional seven per cent? I wonder if the minister would like to make arrangements to remove that tax—

Interjections.

Mr. Speaker: Order, please. I ask all honourable members to respect the person asking the question. Please do not carry on private conversations during question period.

Mr. Elston: To complete the question, would the minister not think of exempting those weddings which have been booked in advance of this tax being put on to alleviate the extra seven per cent cost which is being dumped all over these young Ontario couples?

Hon. Mr. Ashe: I have never heard a number being so put out of perspective as we are hearing today and in the last few days vis-à-vis the seven per cent tax.

I would suggest that in many instances these same weddings that are being referred to will have a reduction in the actual cost. Before, there were items that would have come to over \$6 and would have attracted a 10 per cent tax rate. As of today, they attract a seven per cent tax rate. In many instances that will be, even by my arithmetic, three per cent lower.

It is true that some that were not planned for will be higher. But if somebody were planning for a function which was, for example, \$5 and it suddenly becomes \$5.35, if that is the difference between a successful or unsuccessful marriage, I would suggest the parties are not ready for it anyway.

Mr. Breaugh: Mr. Speaker, I was not sure the minister was prepared to get into successful or unsuccessful marriages.

Is it the minister's intention to have his

revenue agents prosecute each and every coffee truck, each and every wedding, each and every function which in his mind is supposed to be out there collecting sales tax revenue for him? How does he intend to proceed now? Having grandly announced this new plan, how will he enforce that? Will he actively prosecute individuals who knowingly or unknowingly fail to collect the minister's little seven per cent for him?

Hon. Mr. Ashe: Mr. Speaker, in regard to the expansion of the tax base, as with any new tax or expanded form of taxation, we think it is exceedingly important to work with the vendors, the new retailers who were not tax collectors on our behalf before, and to assist, guide and educate them. That will include some who still may not at this time be completely clear as to their obligations in collecting tax. In answer to the member's question, I would suggest that in the next little while, if we come across vendors who are still not familiar with their responsibilities, we will attempt to work with them and encourage them.

On the other side of the coin, if we find some out there who are deliberately not going along with the law, who are deliberately not collecting taxes, there are penalties which undoubtedly will be put to them. The minimum penalty is the charging to a particular vendor of the tax loss even if he did not collect it. That is not a prosecution in the broadest sense of the word, but there is no doubt that it could itself be a significant financial penalty.

Mr. McGuigan: Mr. Speaker, there are three important events in our lives—two of which most of us participate in and cannot escape—birth, death and marriage. The imposition of this new budget has made it quite clear this government is intent on following the Ontario citizen from the cradle to the grave. To soothe a baby's rash, to enjoy a wedding dinner or to have a wreath at a funeral now costs seven per cent more.

In expanding the retail sales tax base, was it the intention of the Minister of Revenue to attend every birth, marriage and funeral in the province? Will he now uninvite himself to these personal celebrations and times of sorrow and, in addition, will he refer this unwelcome guest to a committee of this House?

Hon. Mr. Ashe: Mr. Speaker, even if I had all those invitations I doubt whether I could get to them. Sometimes I even have difficulty getting

to all the occasions I would like to within my own constituency.

2:20 p.m.

The other question the member asked was, will we put this question to a committee? The Treasurer has answered that on more than one occasion. There is ample time for debate within the Legislature. Normally, it is not the accepted procedure that a budget bill of the government is put to a committee of the Legislature; there is ample opportunity to deal with it effectively and efficiently here. Nobody likes increased taxation. Nobody likes taxation at all, but it is one of those necessary evils, albeit that to some degree it does follow one from birth to the grave.

This government has in the past, it does now and will in the future continue to administer those various pieces of tax legislation as openly as possible and with fairness to all.

FALCONBRIDGE LAYOFFS

Mr. Martel: Mr. Speaker, I have a question for the Minister of Labour with respect to the Falconbridge layoffs. Is the minister aware that Falconbridge is in the midst of its negotiations during a strike between Inco and the United Steelworkers of America? Does he not realize Falconbridge is really playing a game of intimidation or bad-faith bargaining in the position it has taken with respect to these workers?

In view of the fact that we have been asking the minister to demand six-month notices of layoffs during the six or seven months leading to the supposed Falconbridge layoffs, is the minister prepared to establish a committee of this Legislature, as was done by the Premier (Mr. Davis) in 1977, with respect to the massive layoffs to look into whether that is a legitimate layoff, whether it is bad-faith bargaining, and to see if there are proposals that can be brought forward so that we can do something to alleviate the hardship that will be wreaked on the workers and the community?

Hon. Mr. Ramsay: Mr. Speaker, I have no evidence there has been bad-faith bargaining to date. I am very much aware of the very depressed conditions in the world market for nickel and copper and other allied products. There is no intention at this time to re-establish the plant shutdowns committee.

Mr. Martel: If the minister says there is no bad-faith bargaining, is he aware of the article in the Sudbury Star on June 7 by none other than Bill Brailey, Falconbridge manager of human relations? He stated: "The early retirement

package was announced at the same time. Because of the number of applications for early retirement, there will be no layoffs."

Is the minister aware they have not only closed Onaping but are now predicting what the situation will be seven months down the road? They made this statement about a further layoff of 1,000 workers four days after they announced there would be no further layoffs. What changed so dramatically in the world in four days—last Monday they could say there would be no further layoffs and by Thursday they were extending the shutdown to 13 weeks and laying off 1,000 workers—if it is not intimidation in the face of the contract before us?

Hon. Mr. Ramsay: I cannot put my hands on it readily, but a few moments ago I was reading a statement made by the president of the union for Falconbridge in which he indicated that he was not surprised at the announcements because he was well aware of the severe depression of the nickel market.

Mr. Laughren: Mr. Speaker, in view of the fact that over the years this government has been very generous to Falconbridge Nickel Mines and has allowed it to ship unprocessed ores to Norway for almost 50 years and allowed it to write off those processing costs against profits it would normally pay here in Ontario; in view of the fact the government has provided very lax pollution levels for Falconbridge Nickel Mines, and in view of the fact the level of taxes that Falconbridge has paid over the years both in corporation and mining taxes has been inadequate, why does the minister not now take a stand and tell Falconbridge that in view of all that the public purse has provided to it, the company will not be allowed to intimidate the workers in Sudbury in this fashion?

Why will the minister not establish a committee to look into ways of preventing these layoffs and, failing that, at least establish an adjustment fund so there can be assistance provided to help the workers in Sudbury find alternative employment?

Hon. Mr. Ramsay: Mr. Speaker, probably the worst day of my brief tenure as Minister of Labour was Thursday when I got the news about the situation at Falconbridge, which, coupled with the work stoppage at Inco, is extremely devastating to that community.

Mr. Mackenzie: What about the workers?

Hon. Mr. Ramsay: I am including them when I refer to the community. Workers make up the

community and I did not think I would have to spell that out.

Mr. Mackenzie: It's your concern that I'd like to know something about.

Hon. Mr. Ramsay: I do not intend to wage a battle of rhetoric at this time on such a serious matter as the layoffs in Falconbridge.

EMPLOYEE HEALTH AND SAFETY

Mr. Martel: Mr. Speaker, a further question to the Minister of Labour, who is going to play the part of Nero and do nothing but fiddle as Sudbury burns—

Hon. Miss Stephenson: Well, you're the violin maker.

Mr. Martel: I suggest to you—

Mr. Speaker: To the Minister of Labour, please.

Mr. Martel: Last August, Local 207 of the Canadian Union of Public Employees requested that the library in Sudbury do a test with respect to asbestos. This test was done by a member of the minister's staff on September 28. Is the minister aware that on December 7 when the union asked for the findings it was advised they had not yet been processed, and when it requested the findings in January it was again advised they had not been processed?

Is the minister further aware of the results of those tests by T. J. Gregor, medical consultant, Ontario Ministry of Labour, signed October 30, 1981, which state the following: "The bulk sample was taken from the boiler room of the library and was tested at 25 to 50 per cent chrysotile asbestos"? The test stipulates that because this material was exposed and falling out, workers are frequently exposed to this area of the library. It notes that 25 to 50 per cent means the air exposure exceeds the time-weighted average guidelines. "It is also cautioned that workers removing, replacing or sealing the asbestos should be educated in proper procedures, including protective clothing, approved respirators and careful disposal techniques."

Is the minister aware that the union finally got that report six months after the tests were taken and five months after the report was signed by someone? Why did it take so long for the workers to get that assessment?

Hon. Mr. Ramsay: Mr. Speaker, I am well aware of the matters the member for Sudbury East is bringing to my attention. We brought personnel to Toronto from the Sudbury office on Friday to investigate it in complete detail.

I must say that the matters the member has brought before this House are substantially correct. I am terribly disturbed about the circumstances. Immediate steps are being taken to rectify the situation.

Mr. Martel: I think it is time this ministry started to lay charges. Is the minister aware that the janitor in that building was sent in to clean up that asbestos without a respirator and without any indication of how he should proceed when he was picking up 25 to 50 per cent asbestos?

2:30 p.m.

Is the minister further aware that when his staff was asked to pursue this matter on behalf of the workers, one of his staff said, "No, it is up to the internal responsibility system"? Is it not time, unfortunately, that the minister started laying charges to make these beggars who continue to disregard the health and safety of workers realize that we mean business to protect the lives and safety of workers in this province?

Hon. Mr. Ramsay: Mr. Speaker, I do not feel that laying a charge in this particular case would have rectified the situation. I have admitted there was an administrative error. Steps are being taken to avoid those types of errors in the future.

Mr. Martel: Does the minister not find it strange that in this case he finds a reason for not laying a charge, in Wilco he finds a reason for not laying a charge despite 50 or 60 violations, and in Rothsay Concentrates he finds reasons for not laying charges, and that what he simply does is go in and tell people to clean up? As long as he is going to continue that policy of just going in once they are caught with their finger in the cookie jar and making them clean up, he is giving them the green light to go ahead and continue to ignore health and safety until such time as they are caught. Then all he is going to do is slap them across the wrist and say, "Clean up," with nothing else. As long as he continues that, that is what is going to happen.

Mr. Mackenzie: The minister is not serious about safety and health.

Hon. Mr. Ramsay: Mr. Speaker, I resent that aside about not being serious about occupational health and safety. I think I have been proving it for the past while to the two members opposite, who have been very diligent in bringing several matters to my attention.

I respect the dedication and the seriousness for occupational health and safety that is dem-

onstrated week after week and day after day by the member for Sudbury East, but I do not think he is alone in that. There are others who are equally serious and they include this Minister of Labour and the senior staff persons within our ministry. For every case that is brought before this House, I could bring 10 cases forward that would be, and are, success stories.

The member continues to bring up the circumstances in Wilco. There we went one step beyond the charge. We closed the plant down until it complied. We took a step more severe than a charge. In the case of Rothsay, we were able to move special advisers in and straighten things out to everybody's satisfaction.

In this particular case brought before us today, I feel there has been negligence on our part. I have admitted that and we are taking steps to correct that. Just because I have admitted negligence in this case, I am not admitting widespread negligence, because the exact opposite is true. The Occupational Health and Safety Act in this province has been working very well and I can support those statements at any time in any place.

TAX ON MEALS

Mr. T. P. Reid: Mr. Speaker, in the absence of the Treasurer (Mr. F. S. Miller)—whom we do not blame for not having the nerve to show up today, Black and Blue Monday in Ontario—on behalf of myself and a lot of other people I would like to send this over to the Premier, who is now going to be part of the unseen guest at every meal in Ontario. As you can see, Mr. Speaker, some of my colleagues are supporting me.

Interjections.

Mr. Speaker: Question, please.

Mr. T. P. Reid: Mr. Speaker, I guess you know it is a sad day when we have to start taxing essential meals for senior citizens, students and others in the province. It is especially a socially backward step when some other provinces this year have gone as far as to exempt the sales tax on such meals. It is apparent this tax measure will have a devastating effect on senior citizens, students and the food industry.

Mr. Speaker: Do you have a question?

Mr. T. P. Reid: I would ask the Premier—

Mr. Piché: This is a statement.

Mr. T. P. Reid: If the member would not interrupt, I am just on my introductory remarks on Bill 111. If I was not interrupted so often, I could put the question.

Does the Premier not realize that one of the industries that is going to be adversely affected by this tax is that of the mobile caterers? They have to service a particular client group all within a 15-minute period in which their customers have a coffee or lunch break. That does not permit the people who are operating these mobile catering trucks the time to calculate the tax on each and every item and sell them as well. Most of them do not even have cash registers on their vehicles to assist them.

The government is liable to put some of these people out of business, both because people will not be able to afford to buy from them and because of the difficulty of collecting the tax. Does the Premier have a comment?

Hon. Mr. Davis: Mr. Speaker, I think one can say the Liberal Party of Ontario has demonstrated its great talents this afternoon. At least it can read ads and cut out paper dolls from newspapers. I am delighted it has that capacity. I always find it regrettable there is little or no substance with the style, and even the style is not selling too well.

We are very sensitive to the time frames within which a number of these people work in terms of selling their commodities to many groups. If the member for Rainy River checked the procedures carefully, I think he would find it is a relatively simple calculation. They do not do it on every single commodity they sell. They take seven per cent of the total and they remit that. It will not inhibit them one second in terms of time.

Mr. Peterson: Mr. Speaker, if the Premier, the Treasurer, or his representative had been at the rally this morning, and if they had had the courage to send someone to listen, they would have been presented with a black arm band celebrating Black Monday. Would the page give this to the Premier, please? He may want to wear it.

Mr. Speaker: Supplementary, please.

Mr. Peterson: Is the Premier aware there were probably over 1,200 trucks and 1,200 gentlemen demonstrating this morning? Is he aware that the average daily take from one of these trucks would be about \$300? That will contribute about \$20 a day or \$100 a week to the government's coffers. The government is now asking these people to become tax collectors and is forcing upon them bookkeeping systems they have never had in the past.

The Premier is aware a lot of these people were "hanging on by a thread" and now he is

going to punish them further. Most of these are small businessmen, whether he understands it or not. These are not the small businessmen who are being helped by the two-year tax remission. These people are very worried about being driven out of business. Now, because of our pressure, the Treasurer has agreed to have a meeting with them tomorrow.

Does the Premier not feel he has an obligation to listen to the serious plight of these people when we run the risk of putting hundreds of them out of business because of this ill-fated budget?

Hon. Mr. Davis: Mr. Speaker, there is no question there are many people employed in this business who are small businessmen, some of whom would qualify under the courageous policies of the Treasurer of this province. The Leader of the Opposition might also be interested to know that a number of them are also employees of fairly large entrepreneurs in this particular food service industry. That may come as a surprise to him, but it happens to be factually correct.

2:40 p.m.

I think he will also find that the Treasurer will be quite prepared to listen to them when they visit with him tomorrow. I think he will find that in fact the actual administrative problems for them will not be significant at all. As was pointed out, they do not have to compute tax on every single item that is sold. If they sell, say, \$300 worth per week, whatever the amount is, it is a relatively simple mathematical calculation to determine what has to be paid in tax. My guess is that most of them keep books in some form or other and this will not be a significant additional burden on them.

We do not want anybody to be burdened with these activities; but at the same time, unlike the members opposite, we have a responsibility for the tax policies. It is never pleasant, and I understand what they are saying, what they are trying to promote across the province. The one thing they do not do, of course, is explain to people that in some provinces the tax rate is as high as 10 per cent on many commodities and, in fact, on the same thing in some provinces.

The member's knowledge is so great that when he was in northwestern Ontario he was saying everybody at Ontario Hydro was averaging \$45,000 a year in salary. I understand somebody at the meeting who is employed by Ontario Hydro said this was not the case, and the member opposite said, "Well, after I fire

Hugh Macaulay, we will make sure you get \$45,000 a year." That is the kind of intelligent, sensitive, logical politicking they are doing around the province.

Mr. Cassidy: Mr. Speaker, I have a supplementary to the Premier that concerns his sense of equity, since he does not want the catering operators to be burdened and presumably does not want working men and women who cannot even afford to go to a restaurant to be burdened with this tax. If that is the position of the Premier, since the tax to the catering operators will yield about \$10 million a year, is the Premier prepared to sell his jet and scrap this tax for the mobile caterers and their customers?

Hon. Mr. Davis: Mr. Speaker, I suggest to the member for Ottawa Centre that he could single out any one of perhaps 200 or 300 items which are taxable and make a valid representation about why each item should not be taxed. I am aware of this; I have dealt with it for years. But in achieving equity, in trying to spread this evenly across the taxpaying public, I think this government has been relatively successful. When the member looks at the tax regimes in this province and the competitive position we have maintained with respect to our sister provinces and, incidentally, several states of the union, I think he will find that we have really done quite well.

JOB CREATION

Mr. Mackenzie: Mr. Speaker, I have a question for the Premier, in the absence of the Treasurer (Mr. F. S. Miller), which deals with the deepening economic crisis and the budget's failure to deal with it. In particular, I want to draw the Premier's attention to his government's own figures. Layoffs in the first four months of 1982 were 147.5 per cent higher than they were last year, and the figures for the last month show an increase in layoffs of 281 per cent over the same month last year, with all of the economic forecasts predicting that the worst is yet to come.

Will the Premier not ask the Treasurer to review his budget and introduce the programs of economic stimulation and restructuring that we outlined in our prebudget statement and that are obviously needed to provide jobs for people so they can begin even to consider paying the seven per cent tax increase?

Hon. Mr. Davis: Mr. Speaker, I think the Treasurer read with some interest some of the proposals coming from the honourable mem-

ber's party, which I think were placed before a press conference by the missing leader of his party; I think Mr. Rae was the one who presented these to the media on that occasion. I was surprised—not surprised, I guess—that they did not receive a great deal of public attention or consideration.

This government never has been reluctant to seize any constructive ideas emanating from whatever source. I only say to the member that I think he is not being totally fair in his assessment of the Treasurer's budget. If he singles out some of the areas, such as housing, which really emanate from people in the Ontario Federation of Labour, I think he will find that the Treasurer has introduced a very constructive, worthwhile program that will lead to more employment in the housing construction industry. The spinoff from that, in the white goods industry and in furniture, is evident to all of us.

I think he will also find that there have been very few more innovative tax measures introduced than the relief of tax for the small businessmen, affecting at least 60,000 industries which are, as a group, the largest employers in the province. I can only say that the response from that sector has been extremely encouraging.

If one moves to the larger business community, the fact that the government did not parallel the capital cost allowances introduced by the Liberal government of Canada in the nation's capital was a signal to the business community that we supported the concept of investment, a recognition that they had a very important role to play in the investment to create new jobs and that it was part of the Treasurer's proposal.

If one also looks carefully at the stimulus given to several ministries, including the Ministry of Transportation and Communications and some to the Ministry of Colleges and Universities and our own youth employment program, one can give a rough estimate of some 31,000 jobs that will be created because of these activities.

If the member is saying to me that the problem is greater than that, I agree with him. I also say, with great respect to the measures suggested by his missing leader, that they really do not represent solutions to the problems either. We all know what the solution is, and that solution relates to the question of interest rates, the rate of inflation and the fact that most of our market, in terms of some areas such as the auto sector and the farm machinery sector, happen to relate to the capacity of our custom-

ers outside Canada to be able to purchase those commodities.

I saw nothing in the proposal made by the member's leader that lowered interest rates in the United States or stimulated automobile or farm equipment purchases in countries outside our own.

Mr. Stokes: You thought the election of Reagan was the greatest thing since sliced bread.

Hon. Mr. Davis: I never said that.

Mr. Stokes: Your whip did.

Hon. Mr. Davis: If you are going to quote me, quote me correctly.

Mr. Mackenzie: At least, Mr. Speaker, we got the Johnny Carson routine with a straight face this time. I am appalled at the answer. Maybe the Premier should talk to some of the people again, including the Ontario Federation of Labour, to find out what statistics—

Mr. Speaker: Supplementary, please.

Mr. Mackenzie: In a telephone survey of eight firms in Hamilton done within the past week—Cambridge Clothes, International Harvester, Canron, Camco, Union Drawn Steel Company Ltd., Brown Boggs Foundry, Stelco and Westinghouse—we were told that indefinite layoffs had reached the 2,000 mark and total layoffs were at the 3,000 mark.

The Treasurer claimed in his budget, "The Ontario government believes that policies for job creation must be an urgent priority." Is the Premier aware that the unemployment figures in Hamilton now show a 65 per cent increase from May 1981 to May 1982? And those are only the figures we can identify; it is probably considerably higher than that. It is an increase that propelled the official rate of unemployment from 7.2 per cent to 11.4 per cent.

Where are the policies for job creation that will get Hamilton workers back to work? And is the Premier now ready to establish a community adjustment fund to assist the laid-off workers in hard-pressed communities to deal with what is, unfortunately, rapidly becoming a great recession in our country?

Hon. Mr. Davis: I would only say to the member, in reply to the last part of his question, that some of us on this side of the House recognized the present economic situation as being a recession some many months ago. It has not come to us, as perhaps it has to the member, in the last two or three weeks. We have recog-

nized this for some considerable period of time. I am not familiar with all the commodities—

Interjection.

Hon. Mr. Davis: Let me finish. I did not interrupt the honourable member's colleague.

Mr. Martel: That must be a first.

Hon. Mr. Davis: No, it was never a first. I never interrupt when the questions are being asked.

I say to the member that I am not familiar with the commodities produced by all the companies in Hamilton that he mentioned. I do not quarrel with the figures for a moment, but I do know the commodities of two of them. I am not exactly familiar with the products at the Hamilton plant of International Harvester, but I assume that they relate to the truck industry. Am I correct in that? If not, they relate to the farm machinery industry. Stelco does relate to the auto sector, and it relates to the energy sector. Quite obviously, as I have discussed in this House on a number of occasions, there is no—

Interjection.

Hon. Mr. Davis: Let me finish. There is no simple answer to one of the main commodity areas, and that happens to be the auto sector. I say to the member that this government, in terms of its representation to Ottawa and in terms of its discussions with the United Auto Workers, the parts manufacturers and the industry, has made it very clear what our point of view is on the issue with respect to imports.

2:50 p.m.

Even acknowledging that, which I think the Ottawa member would do in private—I do not expect him to acknowledge it in public—apart from the question of imports there is also the very real problem of the domestic market in the United States. We are all aware of the destination of most of the cars produced in Oshawa, Brampton, Windsor, Oakville, near London and near St. Thomas. They go to the United States. No provincial initiative is going to solve that problem.

The member knows as well as I do that we are talking about roughly 25 per cent of the provincial economy. We have made our representations to Ottawa with respect to the auto sector. The member knows our points of view. With the greatest of respect, no provincial policy is going to solve the problem of the auto sector in the United States.

Mr. Martel: The Board of Industrial Leadership and Development was supposed to solve it all.

Mr. Speaker: Order.

Mr. Sweeney: Mr. Speaker, given the fact that the budget was released in this Legislature on May 13, surely the Treasurer, the Premier and whoever else was involved in putting that budget together were aware of the youth unemployment figures in Ontario, which had increased from 106,000 to 171,000 from April 1981 to April 1982. Surely the Premier and the Treasurer were also aware of the fact that businesses across this province would be in such economic conditions that they would not be able to hire people for the summer, particularly students going back to school.

Given those two facts, why were there no provisions in this budget for any permanent employment for young people in this province? There are 31,000 temporary jobs, maybe. Why did the Premier choose this year to reduce the activities of the government in creating summer employment from something like 10,000 to 12,000 last year to something just a little more than 8,000 this year? Knowing those facts, why would the budget reflect such a serious problem in this way?

Hon. Mr. Davis: Mr. Speaker, with the greatest of respect to the honourable member, my recollection is that perhaps he has not recognized the direction of the Treasurer's budget. In total, we are not providing fewer jobs. There is no question that the number of young people unemployed this summer could be higher than last summer. In terms of funding and the priority, we have done extremely well and will continue to do so.

The member expresses his concern about the number of youth unemployed. His suggestion is that we put more money into these programs; that is directly what he is saying. He should encourage his finance critic to assist the Treasurer in getting his budget bills through the House so we can raise the funds necessary to produce the kind of money we are putting into youth unemployment, to see that we can carry on with these programs, which, incidentally, we are doing in any event.

It is so typical of a member of the Liberal Party of Ontario to bemoan tax increases on one hand and then to be critical and suggest we should spend more money on the other hand.

Mr. Bradley: Why don't you sell your jet and Suncor?

Mr. Speaker: Order.

TAX ON LABOUR

Mr. Riddell: Mr. Speaker, my question for the Premier, in the absence of the Treasurer (Mr. F. S. Miller), concerns the potentially disastrous impact of the seven per cent tax on labour for a business in my riding known as AquaChem Tankar Services Ltd. AquaChem is the only wholly owned Ontario company in this province that is in the business of lining and relining railway tank cars and hopper cars for the movement of chemical cargoes.

As a result of the budget, AquaChem will be obliged, for the first time ever, to charge a tax of seven per cent on all its labour charges for installation, repair and maintenance. Therefore, the government has unilaterally raised the price of AquaChem's services to its customers by seven per cent, an amount that is quite substantial for this industry. Inasmuch as a large percentage of AquaChem's work load originates in western Canada, the unwarranted, onerous increase in the price of seven per cent may very likely make it uneconomical for lining work to be shipped from western Canada to AquaChem's facilities in Huron Park.

The net result of the tax, therefore, will be likely to grievously injure the business of AquaChem and, moreover, to push the lining work into the arms of western Canada-based businesses, most of whom are subsidiaries of American companies.

Will the Premier not reconsider this tax and withdraw it before irreparable harm is caused to this company and to others in similar peril? Does he not think it is time he considered establishing a committee to hear these small business people who have the problems I just outlined?

Hon. Mr. Davis: Mr. Speaker, I am always sympathetic to any industry or group of industries which feels it is being negatively impacted by any tax policy. I am not familiar with this company as to whether its net is such that it would be beyond the limitations of the corporation tax in terms of the definition of "small business." The member is perhaps much closer to them than I am, and he might get that information for me.

My guess is that if they are eligible for that two-year tax relief, the seven per cent imposed upon their cost to their customers really would be a relatively small proportion of what they will

get back in terms of corporation tax. If they are beyond that limitation, of course, it would be a different situation.

I have always been prepared to ask any of my ministers if there is a particular problem related to a particular industry; of course, we would be delighted to chat with them about it.

If the member is saying this, though, because of what apparently is a rather good position on their part, being the sole supplier in Canada—I think he said that—then my guesstimate is that they will be able to continue to compete.

I would be quite prepared to visit with them myself at some time, although I would suggest perhaps they might be wiser to meet with the Treasurer or the Minister of Industry and Trade (Mr. Walker), because those ministers would be more familiar with some aspects of it. Certainly it is not our intent to inhibit or penalize any industry or to put it out of business. That has never been the case, and it will not be the case with this budget either.

Mr. Peterson: You are doing it and you don't know; that's the whole point.

Hon. Mr. Davis: No, we are not.

Mr. Peterson: You haven't thought these things through.

Hon. Mr. Davis: David, what were you doing last night?

Interjections.

Mr. Speaker: Order.

Mr. Newman: Mr. Speaker, is the Premier aware that yet another unforeseen inequity which may arise from the seven per cent tax on labour deals with the confusion over whether the tax is required from those companies that own their own railway tank cars and lease them to chemical companies after applying the labour for relining and maintenance?

AquaChem's competition in Ontario, a subsidiary of the American company, is in precisely this position. If the competition is exempt from charging the tax on labour, AquaChem will suffer an enormous competitive disadvantage.

The London office of the Ministry of Revenue advised AquaChem that the matter fell within a grey area. Will the Premier have this matter clarified for the record to assure that the Ontario government will not be placing AquaChem behind its competition in this aspect as well?

Hon. Mr. Davis: Mr. Speaker, I think both honourable members, in that obviously their questions were written for them—

Mr. Bradley: Like your statements over there. Your ministers get up and read statements.

Hon. Mr. Davis: To the member for St. Catharines—well, I will not say it.

Mr. Speaker: Just ignore the interjection, please.

Mr. Van Horne: The member for St. Catharines is zeroing in as he does.

Hon. Mr. Davis: Zeroing in as he does? The honourable member should see him in St. Catharines; not only does he zero in, but he also rushes in to have his picture taken with the Minister of Energy (Mr. Welch) or the Premier, front and centre, applauding any time anything great is happening in St. Catharines. I know how he operates; who is he trying to kid?

I gather the member for Windsor-Walkerville (Mr. Newman) has had some personal conversation with the London office of the Ministry of Revenue over the inequity of what may be happening. Am I fair in saying that? And as a result of his personal conversation with the revenue officer in London—he was speaking to him personally—he then came up with this question.

I say to both members who asked the question about this company, if they would relay to me the information they have in their questions, I would be quite delighted to take it up with the ministry and with the Treasurer and see whether there is a problem here of equity and whether the grey area, as the member described it, which was not quite the way his colleague described it, can be more defined.

3 p.m.

Mr. Breaugh: Mr. Speaker, to the Premier: Since the current legal status of these tax bills is still reliant on tradition—that is to say, there is no legal requirement on the part of a business to collect this tax yet, only the tradition about parliaments and budgets—and since there is since there is no legal requirement yet on the part of consumers to pay these taxes, as that little section in the act closing off the right to refuse to pay directly to the businessman has not been nailed yet, what is the legal status of someone, either a business person or a consumer, who says, "This may be the intention of the government but it is not yet law and I refuse either to collect this tax or to pay this tax"? What will the government do to them?

Hon. Mr. Davis: Mr. Speaker, it has never been my policy to venture legal opinions in this House or, quite frankly, in any other area. I ceased doing that some 20 years ago, and I do

not intend to offer any legal opinions on this occasion. I think the honourable member knows the practices and traditions, and I am sure he will not be counselling his constituents not to—

Mr. Breaugh: I will be counselling them to obey the law.

Hon. Mr. Davis: I am just asking. Is the member going to be counselling them? Because if I can offer any advice, it would be not to counsel them in that direction. The member might do this over the next two or three weeks as he considers the lottery that is going on. Once again, we hear rumours that he is the low man on the totem pole and we may not see him next fall.

Mr. Breaugh: Wrong again.

HERITAGE LANGUAGES PROGRAM

Mr. Grande: Mr. Speaker, my question is to the Premier in regard to the heritage languages program during school hours. Given that on June 9 the Minister of Education (Miss Stephenson) served upon the Toronto Board of Education a negative decision on what the Toronto board was seeking; and given that the decision was not based on sound educational grounds, that is, what is good for kids; and given that the minister arrived at her decision without any consultation either with the Toronto board or the communities affected, would the Premier use his influence with the minister to ask her to reconsider that decision of June 9 and to consult with the ethnic communities and conduct a proper assessment of benefits to children in this province?

Hon. Mr. Davis: Mr. Speaker, I could take a long time answering this question, or I could be very brief and say that the Minister of Education in this province has, without question, concern for the educational interests of the many young people in the school system. That interest is evidenced not only in her dedication and commitment but in the very strong leadership she is providing, which still maintains in this province the best educational system available anywhere in North America. I say that very quietly and very objectively, but I think any objective assessment of that would arrive at the same—

Interjection.

Hon. Mr. Davis: No, a very small violin.

I would say to the honourable member that there has been public discussion. The minister heard the views expressed by the Toronto Board of Education. I consider her judgement to be most appropriate and I am sure that, if the

member reflected upon it in a very objective fashion, he probably ultimately would support the minister's point of view as well. But he will not be objective.

PETITIONS

TAX ON MEALS

Mr. Van Horne: Mr. Speaker, I have a petition addressed to the Lieutenant Governor and the Legislative Assembly. It is a unique petition, I am sure you would agree, given that the material on which it is written is toilet paper. It reads as follows:

"We, the above signed, as members of the eating-out population, strongly object to the introduction of a seven per cent sales tax on everything to eat or drink in a restaurant, from a cup of coffee up, and urge that the tax be removed."

There are 350 names on this petition and I would like to present it, Mr. Speaker.

TAX ON CONFECTIONS

Mr. G. I. Miller: I, too, have a petition addressed to the Treasurer (Mr. F. S. Miller) with approximately 2,500 names attached, and I would like to send it to the Premier (Mr. Davis). The petition reads:

"I believe the seven per cent sales tax on ice cream cones is unfair and unnecessary and I ask that Treasurer Miller please reconsider."

The Premier made note of the ice cream not being made from milk products. I would like to assure him that where this petition was taken, ice cream is made from real cream, and it is some of the finest in Ontario.

TAX ON CLOTHING REPAIRS

Mr. Eakins: Mr. Speaker, I have three petitions to the Treasurer (Mr. F. S. Miller). They are from the Lindsay Cleaners and Dyers, Victoria Laundry and Dry Cleaning and the Kent Cleaners of Lindsay:

"We, the undersigned customers, support their protest on the June 14 expansion of the Ontario provincial sales tax that imposes this tax on charges for repairs and alterations to clothing by dry cleaners and launderers. We urge the Honourable Frank S. Miller, Treasurer of Ontario, to withdraw this application of his May 13, 1982, budget since it is unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor."

They are signed by 175 constituents.

Mr. Ruston: Mr. Speaker, on behalf of the Dry Cleaners and Launderers Association of Essex County in the city of Windsor I present a petition that reads the same as those presented by the member for Victoria-Haliburton. I present 150 names.

Mr. Swart: Mr. Speaker, I have a petition, the same as the last two, which protests the unjust imposition of the seven per cent sales tax on alterations of clothing and other repairs by dry cleaners and launderers. It is signed by 207 people from my area, and I would also like to send it to the Premier.

Mr. Newman: Mr. Speaker, I have a petition to the Treasurer signed by individuals in the Windsor area protesting the expansion of the Ontario provincial sales tax to the various items that have been mentioned by the previous speakers, and asking that the Treasurer withdraw the application of sales tax on the items mentioned.

Mr. MacDonald: Mr. Speaker, in keeping with the last three or four petitions, I have a petition from the Tru-Tone Cleaners, of 2529 Eglinton Avenue West, Toronto. In a matter of two or three days they have collected 54 signatures on this petition, which was set out for clients to sign voluntarily at that one little establishment. I present this on their behalf to the Premier.

Mr. Bradley: Mr. Speaker, I have a petition from the people who deal with York Cleaners, at 179 York Street in St. Catharines:

"We, the undersigned, who deal with York Cleaners, support the protest of the June 14 expansion of the Ontario provincial sales tax that imposes this tax on charges for repairs and alterations to clothing by dry cleaners and launderers. We urge the Honourable Frank S. Miller, Treasurer of Ontario, to withdraw this application of his May 13, 1982, budget since it is unfair, inequitable, inflationary and an added hardship, especially on the elderly, the unemployed and the working poor."

This is signed by almost 100 people in the city of St. Catharines and the surrounding district, and there are more names coming in.

MOTION

ESTIMATES

Hon. Mr. Gregory moved that the order of estimates in the standing committee on administration of justice be changed to have the Solicitor General follow the Provincial Secretariat for Justice.

Hon. Mr. Gregory: Apparently the justice committee and the ministers and critics agree to this, and according to rule 47(a) of the rules of the House it requires unanimous consent.

Motion agreed to.

3:10 p.m.

ORDERS OF THE DAY

MINISTRY OF INDUSTRY AND TRADE ACT (continued)

Resuming the adjourned debate on the amendment to the motion for second reading of Bill 38, An Act to establish the Ministry of Industry and Trade.

Mr. Di Santo: Mr. Speaker, when we were debating this bill on May 11, I tried to put forward the position of the New Democratic Party.

Mr. Boudria: Refresh our memories.

Mr. Di Santo: I will refresh the memory of our friend—

Mr. Wildman: In detail.

Mr. Di Santo: Yes, in detail. For the balance of this afternoon's session I will try to point out why the government is wrong in introducing this type of bill and why it should revise it, or should at least accept the reasoned amendment introduced by my friend the member for Algoma (Mr. Wildman) reading as follows:

"That Bill 38, an Act to establish the Ministry of Industry and Trade, be not now read a second time but be referred back to the minister with instructions to amend the bill to incorporate the following changes in its objectives, namely: (1) to increase the degree of Canadian ownership of Ontario industry; and (2) to provide for the use of crown corporations and joint ventures and to develop key sectors of the Ontario economy where imports dominate."

Both these points are extremely important to the economy of Ontario and to that of the nation as well. I tried, with my modest means, to make a case as to why the Foreign Investment Review Agency should be strengthened at this very moment in the history of this country when we are faced with a structural crisis of the economy. It is not a crisis resulting from the present recession; it is much deeper.

In February 1979, the Science Council of Canada published a very interesting booklet called *Forging the Links*, which presented an extensive analysis of the Canadian economy. The members perhaps will remember that a

year earlier the Science Council published a report titled *The Weakest Link, A Technological Perspective on Canadian Industrial [Under] Development*.

On page 14 of *Forging the Links*, the Science Council presents its case that the Canadian situation had structural problems that preceded the present recession. For the benefit of the members I will quote from that publication:

"Canada's present economic problems are not short-term. Their origins precede the current recession in the western economic system. Indeed, while many other countries are suffering from the effects of international recession, Canada seems unique in the degree to which the long-term causes of structural weakness are the result of policies of its own making—policies which have guided Canadian industrial development since well before the Second World War.

"An examination of some of the key economic indicators shows quite clearly that the trend to industrial failure goes back to the early part of the 1950s and, indeed, in terms of its causes, even further. Canada's international trade has reflected this pattern for a considerable period of time. For example, since 1950 Canada has had a surplus on current account in only four years. In addition, the long-term decline of the Canadian economy has also begun to manifest itself in other, more dramatic ways. Nowhere has its competitive weakness become more obvious than in Canada's declining share of world exports."

If one looks at the export situation, one will see that our share of total exports in the world has been declining consistently, with a net result of loss of jobs in Canada, with an imbalance of payments, with induced inflation in the Canadian system and with a general deterioration of the economic health of the nation.

I think the case has been made quite clearly that investments from international corporations in Canada, the branch plant economy we have inherited and which has been widely encouraged by this government, have brought us to a point where we are now faced with a situation where we do not know what will come next.

If there is a recovery, we do not know if it will also result in a recovery of the performance of Canadian industry as a whole or if we will keep suffering the effects of decisions made elsewhere. Unless we address the real issues facing our economy, we will keep living day by day until the day will come when we will wake up

and see that we are in such an irreversible position we will have no remedy and no recourse.

Last time, I tried to illustrate what the position of the critics of the multinationals has been in the past and is at present. From an analysis made just recently, some of the points the New Democratic Party has been pointing out time and again have been reiterated. The critics of the multinationals came to some conclusions recently in a large debate that was reported a month ago in the *Globe and Mail* of May 7, 1982.

What are the conclusions the critics came to as a result of observation and analysis of the situation we have before us? The critics argued that some of the most important decisions regarding domestic employment are made outside the country. I think nobody, not even the Minister of Industry and Trade (Mr. Walker), questions that. Last time we were debating the bill, he agreed with us that the decision-making process is totally imbalanced against Canada.

All the decisions are made outside the country. I mentioned several instances where companies and industries had made decisions and closed plants in Canada without even consulting the management of the Canadian branches.

3:20 p.m.

I want to mention what Mr. Jack Pickett, vice-president of sales for SKF Canada, which has been shut down by the parent Swedish company, had to say. He told the select committee on plant shutdowns and employee adjustment in November 1980, according to the *Globe and Mail*, "that the company was unable to compete because of formidable trade barriers in other countries and the lack of effective tariff protection in Canada."

York University had an analysis made of the situation because it seemed quite a peculiar case of a company that had been making profits all along, ever since it had been implanted in Canada. All at once, because of rationalization of production decided in Sweden, it was shut down.

The *Globe and Mail* reports, "The report of the York University researchers states, however, the Swedish parent firm 'has the world sectorized and SKF Canada was not intended to compete with operations elsewhere.'"

We have a prime example of rationalization, not from the Canadian point of view nor, as the minister piously wanted us to believe in his statement on May 30, in a way that we can still at this stage talk of global product mandating for multinational corporations. The global product

mandate works only if the directions come from the centre; that means from the parent company, as in the case of SKF. The parent company in this case has decided that the Canadian branch would not compete with the operations elsewhere of the same company.

It goes on: "The report adds that the Canadian firm invested only \$100,000 in its plant"—in Scarborough—"in 1979, while SKF's world investments for the same period were \$110 million. 'In short, SKF Canada Ltd. was allowed to run down,' said the York researchers, whose work is being financed by the federal Social Science and Humanities Research Council.

"Mr. Grayson (one of the York researchers) said that some former managers of the company have conceded privately that the Canadian operations could have been profitable and viable."

The president of Local 901 of the International Association of Machinists and Aerospace Workers said, "If the plant had been owned by a Canadian firm, we'd still be operating today." But since the decision was made elsewhere, the company was shut down and now they are operating a warehouse in Canada where they sell parts produced elsewhere in Sweden and the other branch plants. Of course, that is nothing new.

If you remember, Mr. Speaker—I think you were personally in the chair on May 11 when I was making this point—I brought to your attention that this happens in Canada because we have the weakest legislation in the whole world, legislation that allows companies to come in to raid the Canadian market and then disappear at the first occasion when it is not convenient for them to operate in this market any longer.

That happened with SKF and it happens every day. If one looks at every multinational branch that is shut down, one will see behind that there is the same lack of legislation in Canada, the same arrogance of the multinational companies, which treat Canada as an economic colony to exploit as long as it is convenient and to abandon when they no longer have any interest. That was the first point the critics of the multinationals made.

The second point was that "the foreign-controlled firms are withdrawing production from Canada, leaving only assembly and warehouse operations to serve the Canadian market." I gave the example of SKF. I could give the example of the television manufacturing companies that have moved out of Canada and are

using this country as a warehouse or merely as an assembly operation.

Actually, I remember that two years ago we had the case of a company located in Taiwan. It not only used its Canadian facilities in Barrie as a warehouse but also brought in, with its television sets, female employees from Taiwan to stick on the bilingual labels that are required by Canadian law. That tells you what kind of situation we are operating in and what kind of guarantees we have for Canadian workers and for the future of the economy of this country.

Critics argue that "the large multinationals place export restrictions on their subsidiaries, thereby limiting economic growth and job creation in Canada." Before I illustrate this point I should mention that as a result of our national energy policy and the threatened strengthening of the Foreign Investment Review Agency by the federal government—which never materialized, by the way; we all know what happened to Herb Gray and his grandiose plan, which was not even published because the federal government retreated immediately when the Americans started criticizing its new approach.

But despite the fact that the federal government did not have the courage to implement the policies it announced before the last federal election, an internal study was done by FIRA which responded to the criticism of the Americans.

I want to entertain you briefly with this document, Mr. Speaker, but before that I would like to give a concrete example and read the results of a study done by a Toronto research group on the extent to which foreign multinationals are good corporate citizens in Canada, because that is also part of the problem. I want to read the summary so you will have an idea of how disastrous it is for Canada to persevere at this time with policies that may have given some temporary relief to the governments of this province and of Canada, especially during election time, but which in the long run have been proven to be detrimental to the country.

3:30 p.m.

The report says more work needs to be done here but this project provides a number of important tentative conclusions that should be checked out with further study. The study is centred on communications firms, which is one area where everybody thinks Canada should and will expand because of the natural conditions of the country and also the availability of manpower and natural resources. If the 13 foreign computer communications firms included

in this study were putting as much investment into Canada on a proportional basis as they are putting into their own countries, there would be 21,100 more jobs for Canadians in the computer communications industry.

If these firms were putting proportional investment into research and development in Canada, 2,320 of those jobs would be in research and development which is vital to this country's technological future. If these firms were manufacturing in Canada on a proportional basis, they would have invested at least \$500 million more than the \$222 million they already have in property, plant and equipment. This represents employment over and above the estimated 21,100 jobs mentioned earlier.

Finally, and this is also an important aspect, if these firms had paid taxes in Canada in 1980 at the rate proportional to the rate in the US, the Canadian government would have obtained an additional \$49 million or 30 per cent more than it actually received in 1980.

So we have a full picture. If the foreign companies had invested in Canada proportionally—as I mentioned before in the case of SKF, \$110 million total investment of the company, \$100,000 in Canada—we would have more jobs in Canada.

I remind the Minister of Industry and Trade (Mr. Walker) that this is one way to create jobs, and I cannot let pass his rhetoric and his statement of May 3, 1982, when he said, "I must say that I do not see government's role as job creator." If the Minister of Industry and Trade understands anything at all, I would tell him that if he looked at the foreign-owned companies jobs could be created. I reported on only 13 computer communications firms included in the research done by this Toronto research firm. In those firms, 21,100 jobs could be created. It is the role of the government to provide the conditions so jobs are created and this minister with his rhetoric about the private sector and the virtues of the private sector does not understand that.

If they had invested in research and development proportionally in Canada, more jobs could be created. If the firms were manufacturing in Canada instead of assembling only, then they would have invested much more money and created many more jobs as a result. Finally, if the firms had paid taxes the Canadian government would have obtained \$49 million or 30 per cent more taxes than it actually did receive in 1980.

If the government had taken that approach

perhaps we would not have the catering operators outside the Legislature today protesting the tax imposed by this government in the last budget. The government does not know where to get revenue and is taxing every possible sector of the economy.

It is unable to see that unless we restructure our economy and unless we are able to put our economy in a growth position we will not generate more revenue and we will keep inflicting taxes on consumers, on senior citizens and on people who pay Ontario health insurance plan premiums. That will be a scenario for an economy in recession, not a scenario for an economy which is growing.

That this is an economy which is in deep trouble is shown every day by every group which is working in the area of forecasting or economic analysis. If one looks at the provincial quarterly forecast of the Conference Board of Canada, we can see what it says about Ontario.

When people are sitting in the public gallery listening to the ministers and the Premier (Mr. Davis) today they probably have the impression we are in a dream world, the world of Alice in Wonderland where everything is fine and where the Minister of Education (Miss Stephenson) is providing great leadership to what the Premier described as the best system in North America. When we talk about our economic performance the Premier says that relatively speaking this is the best performance in North America.

Let us look at what the Conference Board of Canada has to say in its provincial quarterly report. "The decline in economic activity which began midway through 1981 and is forecast to continue well into this year, represents the most severe setback suffered by Canada's economy since early 1950." For the last 32 years, this is the most severe setback suffered by Canada's economy.

The Conference Board's first provincial quarterly forecast gives an indication of just how serious the current recession will be on a province-by-province basis. "For Ontario and Quebec, the reversal will be the most acute since the 1961 inception of record keeping on provincial economic activity." In Ontario, according to the Conference Board, this will be the most acute crisis since 1961.

Let us see what the Conference Board has to say about Ontario. "The traditional complaint that Ontario is favoured with the lion's share of Canada's manufacturing capacity while other provinces must survive as mere hewers of wood and drawers of water rings very hollow in 1982.

In the current recession, Ontario's pre-eminence in manufacturing works to its distinct disadvantage. Its output in this sector is forecast to fall by nearly seven per cent. The decline is not only steep, but also widespread. In 1980, for instance, Ontario's manufacturing sector had a drop of comparable magnitude but the downturn was largely an automotive recession. Motor vehicle manufacturers and their suppliers bore the brunt of the decline.

3:40 p.m.

"In 1982, by contrast, no area of manufacturing would be spared since demand weakness is much more pervasive, affecting markets for consumer, industrial and capital goods both in Canada and abroad. Although other sectors of the Ontario economy will also behave in a sluggish fashion, the overwhelming negative influence comes from manufacturing. Ontario's overall growth rate forecast would rise from minus 2.1 per cent to near zero if manufacturing were excluded from consideration."

So we have a generalized crisis and a manufacturing output which will decline by nearly seven per cent. Faced with this type of forecast, what does the government do? The government proposes only to change the name of the ministry to Industry and Trade. We think that is not good enough. That is why the member for Algoma (Mr. Wildman) introduced his sensitive reasoned amendment, which would tackle the very heart of the problems facing us.

One of the premises of the bill is that there should be a liberalization of the Foreign Investment Review Agency regulations in order to encourage investment in Ontario. Let me go back briefly to the document produced by FIRA to respond to the criticism made by the United States. I might add that this government in its speech from the throne also criticized the restrictiveness of the FIRA regulations. As well, the Treasurer (Mr. F. S. Miller) makes sporadic efforts to dump responsibility on the federal government for his own inept leadership of the Ontario economy.

As I mentioned before, the Premier, in his speech to the Boston Economic Club, made it quite clear that Ontario is in favour of encouraging foreign investment, but unfortunately we have FIRA, that monster which prevents foreign investors from coming into Ontario and making profits and affects their excellent relationship with Ontario and Canada.

The FIRA document, which was leaked and widely publicized, makes the case, point by point, as to why we should go the other way if we

want to build a strong Canadian-controlled economy. If we want to address ourselves to the structural problems I have been talking about—and which the Science Council of Canada pointed out in its two reports, *Forging the Links* and the *Weakest Link*—the FIRA report says we should address ourselves to those issues seriously.

Members will recall that the FIRA document was prepared to reply to American criticism. Indirectly, it also replies to the criticism by the Premier and the Treasurer.

The document addresses several issues. One is the multinationals in Canada. I have been speaking at length on this because I think it is very important for the industrial future of this province and, indeed, of Canada. The report says that the US parents of multinationals maintain a centralized control of the operation of their subsidiaries around the world. This was also the argument made by the critics of the multinationals operating in Canada, as I said before. They locate production in Canada with a view of maximizing their level of profits, and the result is that the Canadian industries, rather than making a full range of components and materials, import them from the US parents.

I do not think I have to prolong discussion on this topic because it has been proven, and if we look at the import-export figures we will realize that most of the imports to Canada come from parent companies and intercompany trade with a net loss for Canada.

In 1978 a Statistics Canada study showed that foreign-controlled firms are the major conduit into Canada for imported goods. The study concluded that foreign-controlled firms accounted for 72 per cent of all Canadian imports in 1978. Foreign companies' ratio of imports to sales was almost five times that of Canadian industry.

The reason that Canadian industries cannot get a larger share of this market is that even if they have a better price they cannot compete with products transferred within a fully integrated multinational corporation.

For example, if there is a \$2 profit calculated in the normal transfer of a \$10 component part, the subsidiary will still buy from the American parent instead of a Canadian supplier who could furnish the part for \$9.50. This is because the net profit of \$2 minus 50 cents lost by not buying Canadian is such that the multinational as a whole is better off through buying from itself.

The study states that no matter how efficient the independent Canadian supplier may be, his

price can never compete with the internal costing procedures of multinational enterprises.

The case is very clear, and when the previous Minister of Industry and Tourism (Mr. Grossman) tried to encourage the multinational corporations to adopt the concept of global product mandating in Canada he failed miserably because, as I said before, the concept of global product mandating works only if it is in the interest of the multinational corporation, not if it is in the interest of Canada or the branch plant. The multinational corporations have integrated production, and in their planning the production of each branch must reflect the total interests of the company.

If you are a Canadian supplier or a Canadian source of parts or supplies that are competing directly with those of an integrated multinational corporation, then, as the Foreign Investment Review Agency study says, there is no possibility that the Canadian company can compete with the multinational company because the profits of the international company have to be considered on a world scale and within the total performance of the international corporation, while the Canadian company, no matter how efficient it is, is limited and must perform and produce profit here in Canada.

3:50 p.m.

The second point the FIRA study makes is on foreign exchange. The secondary effect of this transfer of components and materials within corporations is that multinational corporations are relatively immune from certain market fluctuations. A chart in the study shows that import levels do not appear to react to fluctuations in the exchange rate. In other words, the value of the Canadian dollar on the foreign exchange market has a relatively stronger impact on the Canadian producer who must import material for export products at fluctuating prices, and it will affect multinational corporations much less. This is a very important point because the fluctuation of the Canadian currency will have a much more severe effect on companies that are operating in Ontario and Canada than on companies that are operating on a worldwide scale. The multinationals can balance the fluctuation of the currency with internal arrangements.

Another point that the report makes is about the overcharge. This is a way to evade the Canadian legislation, weak as it is, and to maximize the profits of multinational corporations. "The multinationals are able to have it both ways," says the report. The study quotes a

private consultant's study which showed that when foreign firms have a monopoly they charge their subsidiaries inflated prices for imported equipment. Since the increased income resulting from the overcharging goes to the parent company, the taxes stay in the home country rather than in Canada.

As an example, research done in Toronto on the 13 computer communications firms showed that if they had paid taxes in Canada, the Canadian government would have received \$49 million, or 30 per cent more than it actually received in 1980. Based on that study, the document calculated that in 1980 computer firms paid \$162 million in Canadian taxes; but as I said, they would have paid \$49 million more. The document concludes:

"It is difficult to know exactly to what extent this is occurring with foreign-controlled firms operating in Canada, but as long as income taxes are levied on profits there is room for this kind of manipulation and the possibility that the Canadian people are being shortchanged, not to say anything of the Canadian supplier industry."

The other point the study done by FIRA makes is on research and development. This is a very sore point. I do not understand how the Minister of Industry and Trade is always boasting of the efforts of this government as far as research and development and as far as encouraging innovation is concerned. If we look at the estimates of his ministry we will see that in 1982-83 the estimates for the Ontario Research Foundation are \$4,222,000, as opposed to \$4,178,000 in 1980-81. That is how the government is spending in order to encourage research and development in Ontario. The situation of research and development in Canada is, to say the least, pitiful.

In a study published by the Organization for Economic Co-operation and Development it becomes quite clear that Canada is running one of the last among industrialized countries. As a matter of fact, we are only ahead of Egypt in terms of the money we spend on research and development. I do not quite understand why the Minister of Industry and Trade keeps boasting about the commitment of this government vis-à-vis research and development. Going to the studies made by the Foreign Investment Review Agency, let us see what they have to say about the consequences of extending foreign ownership in Canada.

They say one of the consequences is the loss of highly skilled jobs in the research and development sector. In the United States the expen-

diture for research and development equals 1.84 per cent of all sales. In Canada the figure is only 0.78 per cent. Generally, Canadian controlled firms spend more money on R and D in the Canadian economy than American firms. In Canadian manufacturing firms the ratio was 1.3 per cent while American counterparts spend only 0.83 per cent.

The document estimates that Canadians spend \$168 million to pay nonresidents for research and development the Canadian industry needs. I had mentioned before that we are only ahead of Egypt in terms of research and development. But if we look at other countries, we will see that in West Germany they spend 2.2 per cent of the gross national product in research and development. In Japan, which is obviously one of the most advanced industrial countries, they spend four per cent of the gross national product, as opposed to the 0.78 per cent spent in Canada.

I want to point out that these are not the peculiar ideas of the New Democratic Party trying to press the government to spend money in research and development because we have some ideas that are not related to the reality of the economy of this province and nation. There was a Senate committee whose chairman was Senator Lamontagne that, several years ago in the late 1970s, came out with a report on science and technology suggesting that if Canada did not want to recede to the point where it would be one of the last countries in the industrialized world, it should immediately bring its share spent on research and development from the present 0.78 per cent to at least 1.5 per cent of the gross national product.

Here we are several years later with the situation deteriorated and the government doing nothing. The minister keeps repeating platitudes that now have no credibility whatsoever, because we know very well—and the study made by the Foreign Investment Review Agency proves it—that while the general picture of expenditures in the area of research and development is pitiful, the situation is also aggravated by the fact that foreign-owned companies spend even less than Canadian companies.

4 p.m.

My friend the member for Oshawa (Mr. Breaugh), who is very well versed and knowledgeable in the area of the automobile industry, told us four years ago that the only research by the automobile industry in Canada was in Kapuskasing, where they were trying engines in cold weather. We visited that facility with the then mayor of Kapuskasing, now the member

for Cochrane North (Mr. Piché). The total employment at the peak season in the winter was between 35 and 40 people.

That is the total research in Canada while, on the contrary, we know that every year Canada pays the automobile industry in the United States huge amounts of money. In 1980, we paid \$384 million for research in the United States, which is reflected in the cost of cars here in Canada. That is one of the reasons the price of cars is higher in Canada and, more important, why there is a loss of jobs here in Canada.

I do not have the figure for 1981, but the members can realize how many jobs we lose here in Canada, how many opportunities we lose for students who come out of our educational institutions with a degree in various areas of research and cannot find jobs because the jobs are elsewhere. The multinational companies operating in Canada are not interested in producing jobs in Canada but are interested in selling products on the Canadian market.

This is a very important and crucial point that must be made, because it is my impression that by introducing this bill at this time, without a very firm commitment to the strengthening of FIRA to create the conditions for the development of a genuine and indigenous industry in Ontario, this government is deceiving the people of Ontario. A few years down the road we will be in a situation where our industrial apparatus will disappear or will be dismembered because the multinational corporations no longer will have an interest in being located in Canada.

If we look at what happened to negotiations under the general agreement on tariffs and trade, and if we look just a few years down the road, we will see that the tariff barriers will go down to 40 per cent. At that time it will be extremely unlikely that the multinational corporations will locate in Canada.

I want to remind members that one of the reasons branch plants were located in Canada and flourished here was that there was a very high tariff barrier. Multinational corporations were interested in locating in Ontario behind that tariff barrier. In fact, if we look at the structure of the branches in Canada and in Ontario, we will see that those branches had peculiar characteristics. One was that they served only the Canadian market; they were not producing in Canada with the purpose of exporting. I gave one example, but it applies to virtually every branch that was set up in Canada.

The first aspect of the branch plant economy was that the branches were created in Canada to serve the Canadian market. Since the Canadian market is so huge but also so fragmented, the branches had short production runs; and a short production run has very low competitiveness. It is elementary, and everybody will understand, that if you have a long production run, then the basic costs, the overhead and research costs, will be spread over a larger production and therefore will bring down the price of the products. Conversely, if the production run is short, the prices of the products are higher.

This is an important point I wanted to make, because the Minister of Industry and Trade gives me the impression that he does not understand that. When he says we should leave it to the market to decide which products should be on the market, what productivity the companies should have and what the consumers want, he does not understand the basic fact that if one has a short production run as opposed to a long one, the costs of the branch plants in Ontario are much higher and, therefore, those companies are not competitive in the world market, let alone in Canada.

One of the reasons that Canadian products are not competitive in many instances is that production costs are much higher and therefore we cannot compete with similar products made by companies that are operating on a larger scale.

Everybody should realize that when tariff barriers come down as a result of the Tokyo accord, there no longer will be any reason for a multinational corporation to come to Ontario to serve the Canadian market. At that point it will be extremely easy for the American companies to have their production facilities south of the border and to export to Canada, because no longer will there be a tariff barrier that will prevent them from coming into Canada or that will make their product much costlier to Canadians to buy as opposed to products that could be made in Canada. At that point we will be faced with a situation that either we will have an industrial apparatus that is economically viable and operating in Canada or we will become a colony of American industry or only a market of consumers receiving manufactured goods from abroad.

I mentioned the cases of other countries that were resource-rich in the past but slowly went down and became underdeveloped countries. We all know resources are a depleted commodity and sooner or later will diminish and finish.

Unless we have a modern industrial apparatus, we will no longer be in the position we are in today of being an industrial nation and we will be reduced to a Third World type of nation.

4:10 p.m.

I think that was the issue that The Weakest Link addressed when the study was quite significantly called A Technological Perspective on Canadian Industrial [Under]Development, because the symptoms that were already there four years ago are now much more aggravated. In that respect, we have to see the study of the Foreign Investment Review Agency and why it gives so much importance to investment in the area of research and development. I do not understand why this government is neglecting this crucial area.

The situation is not helped at all by the window-dressing ideas this government comes up with once in a while. I received a glossy kit on the Ontario International Corp., the latest bright idea of the Ministry of Industry and Trade. I want to read for the record what the minister says in the presentation of the Ontario International Corp.:

"Over the years, ministries and agencies of the province of Ontario (Canada) have amassed an enormous fund of technological expertise, particularly on capital projects. The Ontario International Corp. has a threefold mandate: first, to assemble all pertinent expertise from ministries and agencies, then market it to the international sector; second, to help co-ordinate consulting and technical packages with appropriate companies from the private sector; third, to act as a government-to-government contact in foreign markets for Ontario consortia interested in offshore prospects or joint ventures."

Then it goes on to say: "Ontario International Corp. is the primary international marketing agency for the Ontario government. It is also a promoter of prime capital project expertise in the province. Both the provincial government and private industry have established excellent global reputations in the areas of electrical power production, including nuclear, in urban transit"—

The Acting Speaker (Mr. Cousens): I caution the honourable member about extensive reading from the document. I think you have made reference to it. Would you please refer back to your speech, because if you are going on at the extensive length—

Mr. Di Santo: With all respect, Mr. Speaker, I only read two paragraphs. Is that extensive?

The Acting Speaker: I am cautioning the member about the document. I did not know how far he was going to go.

Mr. Cassidy: Mr. Speaker, on a point of order: I appreciate very much what you are saying, but I have seen speech after speech by the Conservative back-benchers, prepared by the Conservative researchers and put in front of the members five or 10 minutes before they began to speak, and read faithfully right down to the grammatical mistakes—

The Acting Speaker: That is not a point of order.

Mr. Cassidy: —with never a word of caution. I would hope you would watch for that in the future.

The Acting Speaker: The member for Downsview has the floor.

Mr. Di Santo: Mr. Speaker, on the point of order—

The Acting Speaker: I was just cautioning the honourable member. That is fine; if you were not intending—

Mr. Cassidy: This is very relevant to the debate.

Mr. Di Santo: This document is very relevant to the debate we are having. It is only four paragraphs. If this is considered extensive, I want the Speaker to tell me so that—

Hon. Mr. McCaffrey: If you had any idea of the guts it takes to read one of our members' services speeches, those people should get medals.

Mr. Cassidy: You're a newly minted cabinet officer; now you can reveal all.

The Acting Speaker: Order.

Mr. Di Santo: Mr. Speaker, I was saying that in the document that introduces the Ontario International Corp., the minister says: "Particular emphasis is placed on the system approach to large and complex projects. These include offices, schools, power plants, transportation and communication systems. In its position as marketer for both the government and private sector, Ontario International Corp. will have to co-ordinate every aspect of the project: planning, design, implementation, on-site training."

"The various ministries have had a considerable and rewarding history in working with the province's private sector. This relationship has produced a blend of skills that has proved most effective in offshore projects in exploring global opportunities."

I have to read that because it is important to

understand how serious the government is. If one reads this document, one gets the idea of a massive commitment by this government to explore global opportunities.

"Ontario International Corp. will work closely with the international marketing branch of the Ministry of Industry and Tourism"—not only the private sector but also the marketing branch.

"The corporation is also most interested and dependent upon the mutually profitable relationship with Canada's federal government agencies and foreign development banks. The Ontario International Corp. is not a funding agency. It will explore the \$100-billion global capital project market for firm leads. It will provide contacts, screen projects for their practicality and also do preliminary analysis of contacts with the private sector operations together with the federal government research contacts."

On the other side of the coin, also, the minister will assist in bringing influential officials from developing countries into Ontario. These visitors will be shown firsthand the Ontario potential. And also, the corporation will show these officials all the possibilities that will ensure a healthy profit for the private sector, and also would encourage joint ventures.

Then he says, "Please phone, telex or address all inquiries to our office in Toronto."

How much is the government proposing to spend for all of this? If we look at page R-70 of the Expenditure Estimates 1982-83, Volume 3, Resources Development Policy Field, under vote 2203, item 4, Ontario International Corp., we see that the estimate for 1982-83 is \$743,000.

Mr. Speaker, I know you are very interested in this area, and you will ask yourself, "What can this government accomplish with \$743,000?" If the government is serious at this time about encouraging the private sector to export all over the world, to have access to a \$100-billion capital market, if it is serious about encouraging Third World countries to come to Ontario and look at the potential of the economy of this province—everything for \$743,000—the only result from the production of these glossy brochures, which are quite colourful and interesting and have been produced most likely by a friendly small or medium-sized business, is that this is the only company that made a profit out of this grandiose project.

4:20 p.m.

This is the reason we are opposed to this bill. This is the reason my friend the member for Algoma introduced an amendment which we think is crucial to the future development of the

economy of this province. In the past, we have seen too much ad hockery in this government and too much playing around. Also, if we look at the episodes that are before us every day, we can see we are in a very serious economic situation. I cannot but repeat that again and again. We have layoffs, massive layoffs. Last year we lost 87,000 jobs in the manufacturing sector in Ontario.

If we look at this government, we see that not only does it not have an idea of a strategy but also it does not have any sense of direction whatsoever. If this government had a strategy, we would say: "Okay. It is the wrong strategy, but at least they have a plan in mind." But they do not. When we come to the budget, what do they do? They try to make some of their friends happy; they give a tax remission to the incorporated small and medium-sized businesses and they reduce the share of the corporate taxes that the corporations are paying to the province. As a result of that and as a result of the disastrous economic performance of the province, they have to penalize every other person in Ontario. When we look at small, minuscule episodes, we see the parochial way, the outdated way of approaching every situation which is typical of this problem.

I want to give just a fairly small example that proves the mentality of this government. As members know, the Wintario tickets were printed in Toronto by a company called Ontario Banknote. All at once, and for no reason that has been given publicly, this company lost the contract. The new company that will print the tickets is located in Mississauga and is called Canadian Bank Note. As a result of the change-over of the contract, Ontario Banknote will lose between 26 and 28 workers and the business will go to Canadian Bank Note. If we look behind this operation, we will see that Canadian Bank Note is a non-unionized company, one of the friends, probably one of the winners who will get the tax exemption.

That proves the mentality of the government. Whether we look at the forest industry, whether we look at the resource industry or whether we look at the manufacturing sector, we will see a government that does not know where to go, a government that has no plan in mind and resorts to this small game that probably will make friends in the short run but in the long run will be detrimental to the province and to Canada.

Earlier, I mentioned briefly the crisis in the manufacturing sector and in the major industry in that sector, the automobile industry. We

know the way this government is operating. I do not want to mention the laughable speech made by the Premier two years ago in an intellectual effort to illustrate the causes of the crisis in the automobile industry. He made such an effort that he came out with the most brilliant idea of the decade. He thought the reason for the crisis in the automobile industry was that we were importing too many Lada automobiles. I was not surprised. Even the serious newspapers, which usually support the Premier and take him seriously whenever he comes out with his platitudes, thought that it was a little bit too much and that 10,000 or 11,000 Ladas were not really the cause of the crisis in the automobile industry.

That is an illustration of the mentality of this government. It does not understand that we are no longer in the type of society it inherited 40 years ago. We are dealing now with problems that are very serious. The boom we had been going through for many years now no longer exists. We should reorganize our ideas. We should come up with innovative ideas and make them the foundations of our future. This government does not understand that. When we have a serious situation involving massive layoffs in the automobile industry, the only great idea that comes to the mind of the Premier is that we should get rid of 10,000 Ladas and the problem will be gone.

The same happens with the Foreign Investment Review Agency and with the philosophy behind this government's position. I have been talking at length about the disastrous effects this has for our economy and the fact that we are totally dependent on multinational corporations. Right now, there is a very strong attempt on the part of this government, as well as on the part of the federal Conservative Party, to seek a relaxation of the FIRA regulations. The official reason at this time is that we need to relax the FIRA regulations so we can have investment in Canada and that investment, in turn, will do two things: (1) strengthen the dollar and (2) give confidence to the economy.

I warn this House that this approach will create more trouble in the future. That is one of the reasons we are opposing this bill. It is true that if we relax the FIRA regulations and allow an inordinate infusion of capital into the Canadian economy, there will be investors whose confidence we are supposed to encourage, in order to invest in Canada, who will be buying Canadian dollars. Everybody understands that. If they buy Canadian dollars, the value of the

dollar will go up. Then they will invest dollars in the Canadian economy.

What will happen three, four or five years down the road? We will be burdened with more interest to pay, with more profits to pay, with more licence fees to pay. Right now, we are paying more than \$7 billion to foreign companies for investments they made in Canada. In other words, if we accept the position of that government, if we accept the position of the federal Progressive Conservative Party, then we will be putting down the foundations of a situation that will become more and more detrimental for Canada in the long range. That has to be rejected.

4:30 p.m.

The position of the New Democratic Party, both federally and in Ontario, for a long time has been that if we want to handle the situation we should address the real problem, which is interest rates.

Two weeks ago, the leader of the federal Conservative Party was asked by the Montreal newspaper, the Gazette, "What would you do about interest rates if you were Prime Minister?" He said, "I think we would do more or less the same as the Liberals are doing." This proves we are faced with an approach that is detrimental to Canada, but to which this government substantially subscribes. Apart from the foreign domination of our economy, that is one of the main reasons we are going through a very deep and prolonged crisis in Canada. This government does not want to help Canadian companies to overcome a situation that is becoming more and more cumbersome.

I said before that from August to December 1981 we lost 235,000 jobs in Canada, approximately 87,000 in Ontario. One of the reasons was that many firms went bankrupt. The rate of bankruptcies among small and medium businesses rose by 37 per cent, more than in the previous year. What is the reason? I think this government has the expertise, it has people who are very well paid to make analyses. Perhaps they could go to those companies and ask them, "Why is it that you cannot overcome the present crisis?"

The government responded by giving them a two-year tax exemption. The reason those companies could not cope was because they had to borrow money from the banks and repay at very high interest rates. At some point, they could not cope any longer and they went bankrupt. If the government had any real intention of helping those small and medium-sized businesses

who needed help at the moment to overcome a very difficult time, instead of giving them a tax exemption they could not use because they were not profitable—if a company is not profitable, it does not pay taxes—instead of rewarding those whom the Treasurer (Mr. F. S. Miller) cynically calls “the winners,” the government would have given them relief in interest rates and not a tax exemption that does not mean anything to them.

A 37 per cent increase in bankruptcies is a symptom of a malaise that is very deep and that this government does not want to address. It also proves that the government is not serious when it proposes programs, whether it be the BILD program or the technology centres, because all we get is doubletalk. We do not even have a ministry.

What did the minister say about the technology centres? In the New Democratic Party we have been talking at length about the fact that we are lagging behind other industrialized nations and our technological apparatus is not keeping pace with the needs of the industry in order that our industry can be competitive.

Then the government came up with the bright idea of the technology centres. We proposed in the amendment introduced by the member for Algoma, and we are still proposing, that there should be crown corporations or joint ventures with public intervention. We believe it is necessary that the government intervene directly to correct situations that may not develop in the way which would be desired in the best interests of the province.

The government, in the usual Tory way, did something that gave the impression it was moving in that direction, but of course it was only smoke to defuse the criticism, which came from several places, by the way, and not only from the New Democratic Party.

One of the proposals was for the technology centres. We pointed out that Ontario is one of the largest mining places in the world but we are also one of the largest importers of mining machinery. The government responded to that deficiency and to that need by doing what? It set up a machinery research centre in Sudbury; it did not provide leadership or, if necessary, enter into a joint venture or set up a crown corporation to develop a mining machinery industry.

Nobody knows what the centre will do except that it will provide advice to those who want to invest eventually. So, 10 years from now, we will be in exactly the same situation as we are in today. In the meantime, the government has

given the impression to those who are not involved or who cannot take the time to be informed that it is moving somehow in that direction.

4:40 p.m.

In a speech delivered to the Ontario Chamber of Commerce in Hamilton on May 31, just a few days ago, the minister talked about his ministry's assistance to small and medium-sized companies. The effort which the minister called a major policy package amounts, needless to say, to more of the same.

How important was the discussion on the technology centres, auto parts, resources, agricultural machinery, food processing, robotics and microelectronics? The minister said: “While these centres are being initiated by my ministry, they will be managed by experienced business people, not by bureaucrats. Eventually it is my hope the centre will be turned over to the private sector.” That is on page 5 of the speech.

The minister, by repeating this old cliché, wanted to give the impression to the small and medium-sized companies that the government is providing a great service and an opportunity for the businesses to develop and therefore it will get out of the area.

I hope the minister realizes that if we have deficiencies in the areas of auto parts, resources, agricultural machinery, food processing, robotics and microelectronics, it is not because the private sector is not interested. If they were not interested, then we should ask why they were not interested. If there is a market and there are possibilities for growth then we should ask why they were not interested. The reasons are much more complex. I tried to explain what the reasons might have been and why we had an underdevelopment in those very areas where it is possible for us to develop in Ontario.

The minister reduces the whole problem to the simplistic assumption that the government gives leadership and the private sector and the market will solve every problem. I have said before, and I want to repeat now, that the world is much more complex than this simplistic assumption. It is not true any longer and it has never been true in the past, not even in the time of Adam Smith.

It is about time this government became more up-to-date and looked at what is happening around the world. I really wonder why it is that this government sends ministers to Japan and Saudi Arabia. I would be interested in knowing the great discoveries made by the Minister of Education (Miss Stephenson) while she was in

Saudi Arabia and in the Middle East, why the Premier went to Japan, and why the former Minister of Industry and Tourism (Mr. Grossman) went to Japan with the mission, if they did not learn anything.

I know that in the usual way of this government the Premier went to Japan to announce the great achievements of this government. He was announcing all the contracts that had already been signed by the Canadian companies and the American companies, such as General Motors, that had been working there. Of course, the Premier went to Japan just to make the great announcement to celebrate the achievements of the government of Ontario, at great cost to the Ontario taxpayers.

If they have learned anything at all when they have been around the world, they should realize that at this time in history it is no longer good enough to repeat the same platitudes because the problems do not go away. Let us look at what this government does. The minister issued a press release on May 11: "Ontario Launches Import Replacement Drive."

I have explained at length why we have a situation where it is extremely difficult to replace imports, for the reasons I mentioned and the reasons made public in the study of the FIRA group responding to the criticism of the Americans. Despite that, the minister comes out with a press release in which he says his ministry will be involved for one month only to inform about the importance of buying Canadian-made products.

If this were not such a serious situation, it would be extremely laughable that the Minister of Industry and Trade should launch as a major program what everybody knows—at least, I thought that for years it had been an assumption that was clear in everybody's mind—that unless we replace imports the situation will deteriorate because our balance of payments deficit will increase, inflation will get worse and we will lose jobs.

In the past, we in the New Democratic Party have explained, chapter and verse, what the deficit in auto parts costs us. Last year, we had a \$5 billion deficit in the auto parts industry. That translates into 40,000 jobs lost; mostly in Ontario because 90 per cent of the automobile industry is concentrated in Ontario.

After so much noise made by the minister's predecessor—and members will remember the noise made by the government, and the cam-

paigns to encourage buying Canadian—the minister now wants us to believe that by sending his officials throughout Ontario for a month he will solve such a gigantic problem. We have a situation where, to order a few thousand medals on the occasion of the Constitution coming back, we had to go to Rochester to have them minted.

Hon. Mr. Walker: You know that is not accurate.

Mr. Di Santo: I know the minister said that it was only two cents' value that went to Rochester, but it is symptomatic of the mentality.

I raised the issue of import replacement that the government is launching in Ontario. We think it is important, but it is important if it is done in context and in a general framework. That does not exist because I explained at length that this government does not understand that we need a plan and a direction from it at this time. We cannot solve our problems just by leaving it to the private sector or to the market. We know the problems will not go away.

4:50 p.m.

I want to repeat this to the minister so that he will understand it: it is not our opinion but something that is well recognized by the forecasters, by the Science Council of Canada and by the Conference Board of Canada, that our problems are much deeper than the government would have us believe.

Canada's present economic problems are not short-term. Their origin precedes the current recession in the western economic system. Canada seems to be unique in that it has allowed the structural weakness of the economy to grow over a long term, but this weakness is the result of policies of the government's own making.

I have said that unless the government understands that we need a new approach, that we need a plan, we will not solve our problems. But, unfortunately, the government continues to use the same old tactics and to play the same old games in the hope that in time there will be an upturn in the American economy which will pull us out of our present recession.

Apart from the few ideas on technology centres, which I have already mentioned, the Board of Industrial Leadership and Development is just a smokescreen and will not help us to recover from the present crisis. The government continues to rework the same old areas and to present existing programs reshaped into

new formats to give the impression that it is doing something new.

The only thing that this government is not short of is rhetoric. When the Treasurer presented the first report of the BILD program he boasted—and I quote from his speech: “We have proven that government can take action to establish economic priorities and redirect spending to ensure continuing development in this province.”

We know what the results of the leadership of this government have been since January. We have had more plant shutdowns and more layoffs, and have a general economic climate which is deteriorating every day. People feel the lack of leadership. They feel that the people who should be leading the way out of the crisis do not know what to do—apart from giving tax exemptions to winners, who are the government's friends, and leaving other small and medium-sized businesses out in the cold.

I want to mention a firm in my riding, Toronto Wood Moulding Ltd. They had 36 employees in a company that has been operating for 30 years. They have a cash flow problem. They had to lay off 16 workers. The day after the budget was introduced they called me and said: “Mr. Di Santo, we would like to keep the workers; they have been with us for so many years. We cannot any longer. What is the government doing to us? It is giving us a tax remission for two years, taxes we cannot pay because we are borrowing money from the banks. We do not have a profit; we are not paying taxes. The government should help us by giving us relief from interest rates, not from taxes. If they helped us we could keep these workers with us, but we cannot any longer.”

That is exactly what the government is doing. According to our estimates, in which, I think, we are extremely generous, in the latest year of operation of the BILD, only 2,570 jobs were created, while at the same time in the manufacturing sector alone, which is very important for Ontario, we lost 87,000 jobs. We can repeat time and again that the situation is serious and that the government must change by accepting some of our ideas.

Today's Globe and Mail, which is not a subversive publication, says, “The prospects for a business recovery have been further undermined by a slump in plant utilization that has left manufacturing companies operating at their lowest rates in 20 years.” That confirms the analysis I have been making: in the 20 years

since 1961 this is the deepest and most serious crisis we have gone through.

To continue: “Figures released by Statistics Canada on Friday showed that plant operations in the first quarter of this year ran at an average 69.7 per cent of capacity, while the rate at which plant has been idled climbed a further five per cent.

“The low operating rates reflect an overall weakness that has forced down output and produced the sharpest rise in unemployment since the 1930s. But they are also a sign that more and more companies are unable to function normally, make profits and plan future investments.”

This proves that the very assumption on which this government bases its laissez-faire action—leave the market to operate and all our problems will be solved—is no longer true. In fact, companies are now in a position where they are unable to perform their basic role.

The Deputy Speaker: I can honestly say I think your last statement was not quite in reference to the bill in front of this House.

Mr. Di Santo: It is quite in reference to the bill, Mr. Speaker.

The Deputy Speaker: I beg to differ.

Mr. Di Santo: It is because they cannot function normally, make profits and plan future investments.

I want to thank you, Mr. Speaker, for your observation. It comes properly and at an interesting moment in my speech, because I said before, when you were not in the chair, that it is because of this government's inability to address the real issues facing the economy of the province at this time that I am supporting the amendment introduced by my friend the member for Algoma, which says basically—

The Deputy Speaker: I was here for that. I was present when you made reference to the amendment.

5 p.m.

Mr. Di Santo: You were present?

The Deputy Speaker: Yes.

Mr. Di Santo: The amendment addresses two aspects. The first is to increase the degree of Canadian ownership of Ontario industry, and the second is to provide for the use of crown corporations and joint ventures and to develop key sectors of the Ontario economy where imports dominate. That was the point I was making. It is necessary for this government to

intervene massively where there is lack of activity from the private sector.

As I said before, the fact that the government has decided to set up technology centres points to a deficiency in our economy that it is perhaps worth while analysing. If we are in a position in several crucial areas where we are not producing, not producing competitively or far behind other countries, then it must be somebody's responsibility.

If the government does not accept the responsibility because, as the minister says, it is the role of the private sector, then we must say the private sector has not performed one of its roles. Perhaps it is interesting to see why in the past we have had sectors that are very important to the economy of this province that have not performed well and why the private sector was not involved in areas that the government now thinks should be encouraged. We have seen that some of those sectors have fallen back quite disastrously.

For instance, if we look at the food processing industry we see that Ontario, from a position of pre-eminence in the past, is now in a situation where not only are we not important in processed foods but the industry is reduced to the point in the Niagara Peninsula where now we have only one cannery, which is owned by an American multinational company, Del Monte. A few years back we had almost 30 canneries and food processing plants there. I think that is a—

Mr. Nixon: Filibusters are supposed to be more exciting than this.

Mr. Di Santo: I thought I was raising an issue that is close to the heart of the member for Brant-Oxford-Norfolk and he would be interested in as he represents—

Mr. Nixon: I am the only one listening.

The Deputy Speaker: I beg to differ. I am listening.

Mr. Di Santo: I thought the member would be interested since he represents a largely agricultural riding that I had the pleasure to visit two years ago when he celebrated 60 years of involvement of the Nixon family in Ontario politics.

While travelling to Delhi, I could not refrain from thinking that if we had a more intelligent government in Ontario, perhaps we could now have a flourishing food processing industry and be an exporter, especially today when we know that food commodities are decreasing in the

face of a growing world population. We need to rely more and more on our resources.

What did this government do in that area? They threw away our industry and we are left today with Del Monte as the only food processing company in the Niagara Peninsula. That is not only regrettable, it is disgraceful. If we look at other countries less endowed than Ontario and see how skilfully they use their resources and how they try to maximize their agricultural products, then we can see quite clearly that this government, despite all the rhetoric and the boasts about the ties it has with farmers and the agricultural community of this province, is slowly but consistently destroying the base of what today could be a very powerful industry.

As I said before, at some time the government realized it was at least necessary to have technological centres in order to divert the public outcry. That proves there was a deficiency and there is a deficiency. Auto parts is another sector where a technology centre was set up, and it was not by accident that it is in the great city of Chatham, represented by a Tory member. Chatham is one of the areas where the economic crisis is taking a very high toll.

In the auto parts industry we have a situation that has been deteriorating year after year, almost since 1965 when the auto pact was signed. If we look carefully at the performance of the auto pact, we can see that except for the first two or three years the situation has become worse and worse for Canada. While we have a trade balance favourable to Canada as far as the import and export of cars is concerned, the auto pact has become more and more dangerous for Canada. In fact, the deficit has been increasing year after year. Last year the deficit was \$5 billion. That means not only a trade deficit for Canada but it means loss of jobs and a very serious industrial dislocation in Ontario where 90 per cent of the industry is located.

5:10 p.m.

The reason we have such a situation in auto parts is the fact there are no guarantees for Canadian jobs. There are no guarantees in any agreement this government has signed with private companies or with an industry like the automobile industry. There are no content requirements. Since the automobile industry is the major industry in Ontario, and actually 90 per cent of the Canadian industry is located in southern Ontario, we have been asking year after year that this government should demand that there be a content requirement and that the

American companies respect that content requirement, but to no avail.

The reason is this government is capitalist; this government has always played the game of waiting day after day for the situation to get better and hoping that by fluke all our problems would go away. If we look at the auto parts industry, we will see that most of the parts at a time of crisis are sourced from what in jargon is called in-house. That means they are the same big companies—Ford, General Motors, Chrysler and American Motors—that comply with the auto pact even though they are not signatories to the pact. They are the companies which are providing parts for cars that are assembled in Canada.

The Canadian independent manufacturers are becoming a smaller and smaller part of the industry, which in effect means that instead of developing an indigenous auto parts industry, every year we have more companies shutting down. Even the minister knows that in his own city, auto part companies have shut down or have substantially reduced their activity.

What is the answer of this government? The answer is: "Let's kill the Foreign Investment Review Agency. Let's open the door to more imports of auto parts."

If we look at other countries, such as South Korea, Israel, Taiwan and Panama, which are trading partners with the United States—perhaps not as strong as Canada but certainly strong partners with the US—in South Korea there are guidelines that demand 100 per cent local content for local manufacturers. Israel offers special grants for purchases of machinery made with 50 per cent local content. Mexico requires that the content be 85 per cent.

I think it is just unimaginable that an industrialized nation in Europe would allow a multinational company to locate in that country without asking for content requirements. It is just unimaginable, but in Canada that is the rule—

Mr. Boudria: It is a shame.

Mr. Di Santo: It is a shame. In times of economic boom there are jobs going all over but when we come to the crunch and when we come to a crisis like the present one we realize that jobs disappear and we cannot do anything about it. The example of SKF proves my point. SKF did not shut down any plant in Europe. It did not shut down its plant in Italy or in South America, but it did shut down in Canada. Canada has no content requirements at all. It has no legislation to protect the workers from plant shutdowns. It is a disgrace. This government should take the

responsibility as much as the federal government.

The automobile industry has been in a crisis, not only in North America but generally speaking all over the world. This government has been sitting totally powerless, watching layoff after layoff without saying anything and without providing any hope to the workers that, as their representative, the government would stand up to defend their jobs as much as possible.

Can we imagine something like that happening anywhere else in the world in an industrialized nation? I want to give the Minister of Industry and Trade an example I am aware of. Fiat has 264,000 workers. It has a huge work force. In 1981 it went through the same crisis other automobile companies in the world went through.

While the first instinct of the company was to reduce the work force by 24,000 workers, that was socially unacceptable. There were protests and demonstrations. At Fiat, the company came to an agreement with the unions and with the government. They sat down together and worked out a plan by which workers were sent home by attrition. The people with the most seniority who were at a more advanced stage were sent home and there was not a single layoff.

The plan was accepted by the workers with enthusiasm, to the point that the absenteeism, which is a problem and a fact of life that many large companies face, decreased substantially and productivity went up to a point where, last April, the president of the company announced at the annual meeting of the shareholders that not only was the company—

Hon. Mr. Walker: On a point of privilege, Mr. Speaker: It might be interesting for the House to be aware of a message that was just passed to me a few moments ago that the war in the Falklands appears to be over. The Argentines have surrendered and thousands of lives have apparently been saved.

5:20 p.m.

The Acting Speaker (Mr. Piché): I am sure I speak for the House when I say this is very welcome news.

Go ahead, Mr. Di Santo.

Mr. Di Santo: Thank you, Mr. Speaker.

The president of the company announced at the annual meeting that not only was the company no longer in trouble but it had a profit of \$81 million without a single layoff.

On the contrary, in Ontario the government

has been acting in a way that would be laughable if it were not a serious situation. In fact, we remember the attitude of the previous Minister of Industry and Tourism and the Premier. The Premier said, "I will go down to Detroit, have a chat with the president of the company and we will solve the problem." I remember vividly this was the same attitude that he took during the last election when McDonnell Douglas aircraft had already laid off workers and was threatening to lay off more. Because the company is in his riding, the Premier told the workers: "Don't worry; after the election I will go down to the States and I will talk to the officials of the company. Everything will be okay."

This is the cavalier approach of this government to problems that are serious. Unfortunately they do not take these problems seriously. We have had layoffs and plant shutdowns. We have been repeatedly asking the government to do something, to introduce legislation that will protect not only the workers but also the economic apparatus of the province, but our requests have been in vain.

When we look at the resources industry, for years and years we in the New Democratic Party have been pointing out to this government that we should finally come to the realization that today if we want to survive as an industrial nation we cannot keep exporting our resources because our resources are not unlimited; they are a depleting commodity. The time will come when we will not have resources to export.

We should encourage the development of secondary industry in this province because that is where the jobs are, that is where the value added is, that is where the prosperity of the nation is. If we look around the world, we will see that the highly industrialized nations which have the knowhow, the technology and the research and development are the leading nations in the world.

If we look at the performance of nations, the mineral-rich, resources-rich Third World nations are totally dependent on nations that are without resources but which have an economic apparatus which is modern, competitive and technologically advanced. The Third World nations are not only totally dependent on the industrialized nations for their survival but also the gap between them and the industrialized nations is growing year after year.

I want to bring up a prime example of what dependence means. Let us look at the oil-producing nations. In 1973, when there was the last major crisis in the oil industry, the price of

oil went up immensely. For a moment we had the impression that the industrialized nations were at the mercy of the oil-producing countries, that a major crisis would hit all the nations in western Europe, in Japan and in North America, because they were totally dependent on oil imports from the oil-producing nations.

We imagined Japan, without a drop of oil domestically produced, as an enormous industrial apparatus totally dependent on Middle East oil, and Europe, West Germany, France, Italy, importing all their oil. All at once they were forced to pay prices that were four or five times the prices they were paying before 1973. Once the crisis came, the prices went up. A wave of inflation struck the industrialized world. But in the final analysis they were able to absorb that oil-induced inflation, and four years down the road we know that the nations having serious trouble are the oil-producing nations, because they are faced with the situation where their products are abundant and they have investment problems and they are totally dependent on the industrialized nations for all the products they need for their industrial development.

We can see that a country like Japan, which has not one single drop of oil, is a country with a growing industry, not comparable to the richest oil-producing nation. If we look at the South American continent, there was a time when the mines in Peru and the economies of nations such as Argentina were famous in the world. They were all producing commodities that were in demand and nobody thought that with the technological revolution that came after the Second World War and with the invention of new products they would end up in the situation they are now in.

That brings us to our situation at home. We have a forest industry that is famous throughout the world. I think many people in Ontario do not realize what a bad situation we are in. When one travels through Ontario and sees those immense forests, one thinks they will last forever. That was my impression every time I went to northern Ontario. That is the impression people have when they fly to the northern part of the province. In fact, I was shocked to read in the report of the House of Commons committee on the forest industry and on reforestation that Ontario will become a major importer of wood in the not-too-distant future because our forests have been mismanaged to the point where today

we are replanting less than a third of what we harvest.

5:30 p.m.

I remember the position taken by this government in 1977, when the then leader of the New Democratic Party drew attention in his campaign to the fact that the foresters and the forest industry of Ontario were very concerned about what was happening. The member for Muskoka (Mr. F. S. Miller) said, "We will plant three plants for each plant we cut." In the Brampton charter the Premier said, "We will plant two plants for each three plants that we cut." However, today the situation is so desperate that the industry itself is asking the government to do something before it is too late.

As members know, in the reproduction cycle in northern Ontario it takes 120—

The Deputy Speaker: Even the member for Lake Nipigon (Mr. Stokes) is dubious as to whether this is part of the bill.

Mr. Di Santo: The member for Lake Nipigon is nodding, because he knows *prima facie* that the situation is desperate. On one of my visits to Lake Nipigon we spoke to a forester employed by the Ministry of—

Mr. Martel: Don't give his name, though. He'd be fired.

Mr. Di Santo: I will not give the name, because he would be fired; and I thank the member for Sudbury East for reminding me of that.

The forester said something that depressed me, from Toronto, very much. He said, "The policy of the Ministry of Natural Resources is criminal." He took us to—

The Deputy Speaker: Is that parliamentary?

Mr. Di Santo: Well, criminal—

Mr. Martel: The policy is criminal.

Mr. Di Santo: I think it is.

Mr. Cassidy: You are very attentive, Mr. Speaker. It is very much appreciated.

Mr. Di Santo: He took us to an open-cut area, and we were appalled to see that the wind and weather conditions were eroding the thin stratum of soil. He told us there was no possibility at all of a single plant growing in that area again.

Mr. Speaker, I have taken much longer than I had expected, but it is a very important amendment that the member for Algoma has introduced, and we in the New Democratic Party have decided to have a serious debate on this bill. It may be too late for us to deal with the problems afflicting industry in this province, but

we have a moral responsibility to address these problems. We cannot let the government come in with smokescreen policies that do not mean anything, that aggravate the situation and that will prove to be extremely detrimental to the province and to the future generations of Ontario.

That is why, in a last-ditch effort, we are asking the government to accept our amendment. I realize it will be a major change in the approach the government has taken in the past, but it is also essential. It is not a partisan position; it is not the position of the New Democratic Party, as I explained before. It is a position that has been espoused by several organizations. The forecasts for the future are pretty bleak and, as I said, are the result not only of the present recession but also of structural problems that directly affect the structure of the economy of the province. I hope the government, even if it is too late, will realize that it is time to change.

I know we will have an opportunity to go to the people of Ontario and ask them to change the government so we can change policies, but we think the good of the people comes first and, therefore, we ask the government to change its policies.

Thank you, Mr. Speaker.

The Deputy Speaker: Thank you, member for Downsview. We were all most enthused with your debate.

Does any other member wish to participate? The member for Lake Nipigon?

Mr. Stokes: Yes.

Interjection.

The Deputy Speaker: I am sorry. Rotation. No member from—okay.

Interjection.

Mr. Stokes: Go ahead.

The Deputy Speaker: The member for Ottawa Centre.

Mr. Cassidy: Thank you, Mr. Speaker. I have a number of things I want to speak about in the course of this debate. May I say in commencing that I want to join the minister in expressing gratitude and thanks that the affair in the south Atlantic appears to have come to an end.

I took the pains to look at the present terms of reference of the Ministry of Industry and Tourism, and it became obvious once I looked at them that the major reason we are having this debate, which now has been prolonged over several days, is basically that the government

was embarrassed by the activities of the former Minister of Culture and Recreation (Mr. Baetz), who could not even give away money from Wintario without putting his foot in his mouth, and it therefore felt the need to create a Ministry of Tourism and Recreation, which is to be a safe haven for the minister where they hope he will not create the same difficulties for the government that it suffered before. In the process there were other consequential changes.

I do not know whether it is worth five or six days of legislative time to have the bill for the Ministry of Citizenship and Culture, the bill for the Ministry of Tourism and Recreation and this bill, when one considers that perhaps this time on the part of the minister, the government and the Legislature might have been more fruitfully spent in getting on with the very serious economic problems we have in the province.

Perhaps the reason the debate has gone on for some time, however, is simply that this House does not normally have any means by which we can talk seriously about some of the serious issues, such as jobs and where we are going in the economic future of the province. Since in the course of the last few months I have been occasionally a bit philosophical about where we are going, I want to bring that to the minister's attention and yours too, Mr. Speaker, since I know you think about these things.

There is a sense of frustration among members of the Legislature, including the backbenchers on the Conservative side, over the fact that we seem to deal too often with trivialities in this Legislature, that we do not get our teeth into the really serious problems, that we do not have the mechanisms available by which we can confront such issues as those that have been confronted during the course of the debates from various sides on the creation of the Ministry of Industry and Trade.

5:40 p.m.

I suggested some time ago that there was a requirement in this House that we should set aside a select committee on the social and economic impact of technological change. That was a speech I gave a few months ago with respect to technology which you, Mr. Speaker, listened to very attentively. I appreciated your interest at that time.

That was in part an effort to make a suggestion about a way in which this Legislature could begin to see what is happening and will happen to industry, jobs and the future of our economy, a way in which we could become educated and,

in turn, perhaps serve as a vehicle for educating people across the province about what is happening.

I was struck by the good work of the half dozen task forces set up in Parliament a few months ago in areas like the handicapped and acid rain which produced some excellent reports. They were not particularly partisan. They were much longer on light than on heat, whereas too often in this House we are a bit longer on heat than we are on light.

We should be looking for a number of ways by which we can look seriously at the problems we have attempted to underline in the course of this debate by means of the reasoned amendment from my friend the member for Algoma (Mr. Wildman), which specifically says the objectives of the ministry should be enlarged to ensure it has a mandate to increase the degree of ownership of Ontario industry, to provide for the use of crown corporations and joint ventures and to develop key sectors of the economy where imports dominate.

The powers that are laid out for the ministry in the bill are barely changed from the previous bill. The previous 1972 bill provided that the ministry should "promote the establishment, growth, efficiency and improvement of industry, trade . . . in Ontario." It provided the ministry should develop programs "to assist the adaptation of industry to changing conditions and to changes in the techniques of production"—that is, to changes in technology—as well as helping "to identify . . . industries that require special measures to develop an unrealized potential or to cope with exceptional problems of adjustments."

The previous bill also allowed the ministry "to participate with other jurisdictions . . . and with public and private enterprises" in the process of planning for the economic future of the province. All that was there 10 years ago.

The previous bill said the minister had a number of powers, including the power to "assist industry and tourism in any other manner considered to be proper." The powers were so broad we did not need a new piece of legislation. What we really needed was a ministry that was capable and prepared actually to reach out and seize on the challenges we have in the province today and to take some action.

I was disturbed when I read the speech of the Minister of Industry and Trade (Mr. Walker) introducing the bill and saw that he talked about how the new ministry was going to solicit ideas from business and labour, from the research

community and people like that as to what should be done in terms of rescuing the industrial economy of this province.

A new ministry? What the heck, we have had a ministry like this for some 20 years. We had Stanley Randall, who was leading trade missions all across the world and who was fathering development schemes for Ontario Place and that kind of thing back in the 1960s. In 1972, we had the creation of the Ministry of Industry and Tourism. At that time, brave and bold things were promised, but the sad thing is that opportunities were lost and nothing was done.

I recall in 1972, I think it was, the Premier (Mr. Davis) brought the member for Ottawa South (Mr. Bennett) into the cabinet as the Minister of Industry and Tourism. Never was a junior ministry more junior than that one when it was led by the member for Ottawa South. His greatest distinction was getting lost on the way from Brighton, I think it was, back to London some time in 1972 or 1973 when he was on a junket to England to say what great things Ontario had to offer in terms of co-operation with the British.

Over that time, when we could have been developing and putting in place the industrial infrastructure Ontario would need for the 1980s, this government fiddled, did nothing and frittered away those opportunities. Up until the time John Rhodes became the Minister of Industry and Tourism, there was no real mandate accepted by the ministry, and no real sense of challenge, excitement or leadership.

I am not sure whether that sense of leadership has been there since. What I can do is simply look at the record and at what the government is promising us now that we have a new ministry, and then weep over the lost time. It is a sad fact that every time we get a new ministry, we get new promises about what the ministry of industry in its current guise is going to do.

This minister says he is going to get the free enterprise system working again in Ontario. He replaces a minister, the member for St. Andrew-St. Patrick (Mr. Grossman), who was more of an interventionist, rather more a red Tory than a blue Tory, and who was prepared to see a certain amount of government involvement in industry. The sad fact is that there is no coherent overall strategy on industrial development as far as the government is concerned.

There is no coherent overall strategy. Instead, it is a series, one version of ad hockery succeeded by another version, then by a third and a fourth. Each new minister comes in and says: "It is

about time we rolled up our sleeves and did the job. We are now going to get the industrial economy of this province going." I happen to think the previous Minister of Industry and Tourism probably had a fair idea of what ought to be done. Too often he foundered on the rocks of the ideology of his colleagues in the Conservative cabinet.

Mr. Martel: There was no ideology. That was the trouble.

Mr. Cassidy: That is right. At the time when he might have been able to do something, suddenly political ambition loomed large and he decided he had better take on another ministry. Or perhaps the Premier decided his star was rising too brightly in the Ministry of Industry and Tourism. He was cutting too many ribbons, handing out too many awards. He had better be put into a tough job that could really bring him to task and stop him from the insistent and persistent campaigning for the leadership he carries out between two or three o'clock every question period in this Legislature as he talks to his colleagues up and down the back benches of the Conservative Party.

So the Minister of Industry and Tourism goes out and the Minister of Industry and Trade comes in. I am not sure whether the new minister is also considering a stab at the leadership—is that correct? A shot at the leadership—no, that is not right either. Anyway, a push for the leadership. Whether he will stab his leader in the back or shoot him, I do not know. That is up to his party. The fact is that now he is trying to say free enterprise is the way to go, and I guess that is because he is reflecting the blue tinge of the Conservative Party when it is anticipating where it should go in the future.

When one looks at the technological centres that are to be established under the Board of Industrial Leadership and Development program, which comes under the wing of this ministry, it says a lot about what we have been doing with the opportunities we have had in this province over the course of the last few years.

Take automobile parts, for example. As my colleagues have pointed out already, we have had a \$2-billion deficit in our automobile trade with the United States and other countries over the past few years. Year after year—it may be a bit better this year, because the auto trade is down so much overall—there are tens of thousands workers out of work because the auto parts sector is so weak now.

The minister says: "Maybe we will get Toyota to come in and rescue us all. Maybe we will get a

few sales to Japan." We are selling peanuts to Japan now in auto parts. In most areas of the industry we are doing peanuts in terms of technological research and development, despite a few notable success stories. This industry has been active in Ontario for some 70 years. This government has been around for 38 or 39 of those 70 years. In all that time what has it done? It has done nothing.

It brought out a report under Darcy McKeough in the early 1970s saying there were problems. After that report was out, nothing was done. Now it has promised that an auto parts technology centre will be set up in Chatham—or is it in St. Catharines?—in the next year or so and that this centre is somehow going to pull everything together.

The sad fact is, that is the only initiative being taken in that area. Two or three more years will have to pass before that centre can possibly begin to have an impact. By that time, the automobile industry, if it is still surviving on this continent at all, will have committed itself in terms of the investments that will be required for the new generation of fuel-efficient cars and that opportunity will basically have passed us by here in Ontario.

5:50 p.m.

In microelectronics, we have great things going for us, largely because of the synergy of what is happening in the Ottawa Valley. I challenge the minister to say what role Ontario played in seeing to the encouragement of that change in our industrial structure. I never heard the ministry even recognize that microelectronics was important until a month or two before the last election, when it finally began to dawn on them that there was something major happening up in the Ottawa Valley. I never heard them even talk about it.

The investments that came from the public sector were entirely investments that came from the federal government, with its investment in the Bell-Northern microelectronics company of the early 1970s and the investments that went into research and development and so on which have helped in a spinoff of small companies that are now growing to be extremely important. Now one sees the Ontario government hustling to get on the bandwagon and claim it was in the van all along.

With respect to farm implements, it waited until Massey-Ferguson was almost over the brink and the government had to take part in the rescue effort in bringing them back alive. Now they turn around and say, "Is it not time we had

a technology centre for farm implements?" That industry has been active in this province for a century. After 38 years of Conservative rule, the Ontario government suddenly decides that perhaps it better do something about it.

It is the same thing with robotics. I understand the automobile industry may have a tenfold increase in robots installed in the plants in Ontario between now and 1985. I would like to know how many of those robots will be created, made or manufactured here in Ontario. I suspect the answer will be one big fat zero, because up until now there has been virtually no research and development or anything like that done on robots in this province. There are thousands of them being produced in Japan every month right now. They are three or four years ahead of us in this province in terms of robotics development.

Unimation and some of the other firms in the United States have order books that are three or four years long because of the demand in the United States, and we are just beginning to get together with a technology centre up in Peterborough with respect to robots.

In computer-aided design/computer-aided manufacturing, there are some good firms that have done some innovative work here in Ontario. My sister is working for one up in Ottawa, Omnitech, that has an excellent product once it can manage to break through the market barrier and actually sell it in large numbers. Even there, I am not sure to what extent this government is still aware of how far that is going to go. I am afraid we are going to be spending two or three years before we really begin to see much benefit from that.

What all of this speaks to is the fact that when the problems of the economy of this province began to be evident was not last month or last year but away back in the 1960s and the 1970s.

My friend the member for Sudbury East (Mr. Martel) was on the select committee on economic and cultural nationalism back in 1972 and 1973—

Mr. Martel: So was the minister.

Mr. Cassidy: —and so was the minister. If the recommendations of that committee had been taken seriously by the government at that time, we would not be seeing the need for the creation of this ministry and the mandate it is being given, because we would be doing it right now. Rather than debating it in this Legislature, we would be having the kind of initiative coming from government. We would be having the resource machinery production in the Sudbury

basin which my colleagues from Sudbury have been talking about for so many years.

I, for one, am rather fed up with standing up in this Legislature year after year and telling the government what the needs of the day are and finding that several years down the line the government finally wakes up and, like a distant echo, it turns around and says, "Oh, we need to do what you were saying five or 10 years ago, but of course we will not give you credit."

By the time the Conservatives get around to that, it is often too damned late to benefit. It is too damned late to get the jobs back for those workers who have been put on permanent layoff in the automobile industry, those 10,000 or 15,000 workers whose jobs may be irrevocably lost. It is too damned late to get jobs in the resource machinery sector for those Sudbury miners who now find there are no jobs at all because Falconbridge has laid off and has a three-month shutdown and because the number of workers at Inco has gone down from 18,000 to 10,000 in the course of the past 10 years and no new job opportunities have been created for them.

It is too damned late to give the kind of innovative support that might have kept White and Massey working steadily rather than led them to be reeling and just about out of business in the farm implement sector, at grave risk in terms of the future of our industrial economy. Those are the kinds of things that are happening now, and it is almost like chutzpah for the minister to say, "Don't worry, it is going to be okay this time around."

My colleagues have talked at length about the inconsistency of a ministry whose mandate includes planning, measures to strengthen the competitiveness of the industrial base and participation in the introduction of new technology, and whose minister says it is all going to be done by working through the private sector. The minister surely must be aware that he stands almost alone in the western world with respect to how industry is working with government these days.

In France they do joint ventures, and they did them long before the Socialist government of François Mitterrand came to power. In West Germany there is substantial public involvement; in fact, Volkswagen is substantially publicly owned. In Ontario the only publicly owned auto plant is in the riding of Brampton, where American Motors now is mainly controlled by Renault of France.

In Britain and Norway there is substantial public and private co-operation. It is occurring in Japan. It is even occurring in the United States, where they disguise it as the defence industry. But in this province the minister says he is going to do it through the private sector.

A number of my colleagues have been speaking about what we ought to do. I do not want to reiterate what they have said, but I want to point out several problems areas where this new ministry is liable to go.

The first is the rather naïve expectations of the ministry, which I have managed to discern from the pitiful and totally inadequate compendium provided by the minister with this bill.

"We want to help the private sector to expand trade, to encourage investment and to strengthen the competitiveness of Ontario's industrial base," says the minister. We want, in other words, to reiterate the policies that have brought us here, because if they were so good in bringing us to the current situation where 500,000 people are out of work in Ontario—325,000 on the unemployment rolls and 175,000 unacknowledged unemployed—then we can let them do it to us some more if we just keep on going. The minister has some good people within his ministry, but he is not going to give them the kind of support they really need.

"We are going to expand the buy-back provisions." My friend the member for Algoma pointed out that at the present rate it would take us 400 years to buy back what we are losing in Canadian industry. How the devil is the minister going to apply the buy-Canadian program? He never tells us. It is pious good wishes and nothing more.

The minister talks about world product mandates, and that is going to be the big thing in getting industry to do it. Who is going to bell the cat? Who is going to get General Electric to put small appliances production back into Ontario now that it has gone? Who is going to get Noranda to get the 20,000 jobs back? Why is the minister so pathetically proud of nine jobs for Elmira that he takes 10 minutes of the time of this Legislature to talk about them? How on earth is he going to insist that the world product mandate be given when the government's actions on this front until now have been nothing short of pitiful?

Since the time is up, Mr. Speaker, I am going to suggest that we adjourn this debate. I want to suggest to the minister very seriously that he cannot hope in the 1980s to make an industrial

policy work that was designed in the 1950s. The minister has to be aware of the kinds of problems that have been created for us in this province because of the degree of foreign ownership. The minister has got to stop uncritically touting more foreign investment as being one of the major answers to the problem when it has been one of the major reasons for the present problems we have.

I took pains to see what was happening in one particular industry with respect to the influence of foreign ownership, and I will conclude on this note. This is the area where the minister says we have such high hopes, the high-technology electronics industry.

In the electronics industry in 1980, research and development expenditures by foreign computer and related companies amounted to two per cent of their sales in Canada, whereas Canadian firms' research and development amounted to seven per cent of their sales. This is from a study by Evans Research Corp. of Etobicoke.

In 1980, those foreign firms in Canada spent two per cent of their sales on research and development, whereas worldwide those companies were spending six per cent of their sales on research and development. The expenditure by those foreign companies in Canada was only one third their worldwide rate.

In 1980, those foreign firms' assets were only

seven per cent of their sales in Canada as compared to 24 per cent of their sales worldwide. In other words, they had far more manufacturing in the rest of the world than they had in Ontario.

In 1980, those companies spent five per cent of their revenues on taxes in Ontario and seven per cent worldwide. In other words, they were deliberately siphoning profits out of this province and taking them somewhere else.

The final point is that in 1980 those foreign-controlled, high-tech companies—IBM, Honeywell, Sperry, Philips, NCR, Digital, DEC, Burroughs, all well-known—for every \$1 million in sales of the Canadian companies, had nine employees, but worldwide for every \$1 million of sales they had 15 employees. In other words, they are sucking this province, this country, dry. They are not putting the employment into this country. They are simply using it as a fertile field from which to take profits out of the country.

Those are the kinds of people, the kinds of corporations and the kinds of policies the minister thinks are going to rescue us from our problems, and that is why we have such grave problems with this bill and why we have moved our reasoned amendment.

On motion by Mr. Cassidy, the debate was adjourned.

The House recessed at 6 p.m.

CONTENTS

Monday, June 14, 1982

Oral questions

Ashe, Hon. G. L., Minister of Revenue:

Tax on meals, Mr. Elston, Mr. Breaugh, Mr. McGuigan. 2620

Davis, Hon. W. G., Premier:

Tax on confections, Mr. Spensieri, Mr. McKessock. 2619

Tax on meals, Mr. T. P. Reid, Mr. Peterson, Mr. Cassidy. 2624

Job creation, Mr. Mackenzie, Mr. Sweeney. 2625

Tax on labour, Mr. Riddell, Mr. Newman, Mr. Breaugh. 2628

Heritage languages program, Mr. Grande. 2629

Ramsay, Hon. R. H., Minister of Labour:

Falconbridge layoffs, Mr. Martel, Mr. Laughren. 2622

Employee health and safety, Mr. Martel. 2623

Petitions

Tax on meals, Mr. Van Horne, Mr. G. I. Miller. 2630

Tax on confections, Mr. G. I. Miller. 2630

Tax on clothing repairs, Mr. Eakins, Mr. Ruston, Mr. Swart, Mr. Newman, Mr. MacDonald, Mr. Bradley. 2630

Motion

Estimates, Mr. Gregory, agreed to. 2630

Second reading

Ministry of Industry and Trade Act, Bill 38, Mr. Walker, Mr. Di Santo, Mr. Cassidy, adjourned. 2631

Other business

Recess. 2652

SPEAKERS IN THIS ISSUE

Ashe, Hon. G. L., Minister of Revenue (Durham West PC)

Boudria, D. (Prescott-Russell L)

Bradley, J. J. (St. Catharines L)

Breaugh, M. J. (Oshawa NDP)

Cassidy, M. (Ottawa Centre NDP)

Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)

Cureatz, S. L., Deputy Speaker and Chairman (Durham East PC)

Davis, Hon. W. G., Premier (Brampton PC)

Di Santo, O. (Downsview NDP)

Eakins, J. F. (Victoria-Haliburton L)

Elston, M. J. (Huron-Bruce L)

Grande, T. (Oakwood NDP)

Gregory, Hon. M. E. C., Minister without Portfolio (Mississauga East PC)

Laughren, F. (Nickel Belt NDP)
MacDonald, D. C. (York South NDP)
Mackenzie, R. W. (Hamilton East NDP)
Martel, E. W. (Sudbury East NDP)
McGuigan, J. F. (Kent-Elgin L)
McKessock, R. (Grey L)
Miller, G. I. (Haldimand-Norfolk L)
Newman, B. (Windsor-Walkerville L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
Peterson, D. R. (London Centre L)
Piché, R. L. Acting Speaker (Cochrane North PC)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Reid, T. P. (Rainy River L-Lab.)
Riddell, J. K. (Huron-Middlesex L)
Ruston, R. F. (Essex North L)
Spensieri, M. A. (Yorkview L)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities (York Mills PC)
Stokes, J. E. (Lake Nipigon NDP)
Swart, M. L. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Turner, Hon. J. M., Speaker (Peterborough PC)
Walker, Hon. G. W., Minister of Industry and Trade Development (London South PC)



Ontario

LEGISLATIVE ASSEMBLY

No. 74

Legislature of Ontario Debates

Official Report (Hansard)



Second Session, Thirty-Second Parliament

Monday, June 14, 1982

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$15.00 per session, from: Sessional Subscription Service, Central Purchasing Service, Print Procurement Section, Ministry of Government Services, 8th Floor, Ferguson Block, Parliament Buildings, Toronto M7A 1N3. Phone (416) 965-2238.

Published by the Legislature of the Province of Ontario.
Editor of Debates: Peter Brannan.

LEGISLATURE OF ONTARIO

Monday, June 14, 1982

The House resumed at 8 p.m.

HIGHWAY TRAFFIC AMENDMENT ACT

Hon. Mr. Snow moved second reading of Bill 84, An Act to amend the Highway Traffic Act.

Hon. Mr. Snow: Mr. Speaker, this bill paves the way for the vehicle registration system which will come into effect on December 1. We are changing from the plate-to-vehicle approach to plate-to-owner. Thus, when a vehicle is sold, the vendor will keep his or her permit and number plate and use them on his or her replacement vehicle. The plates will primarily identify the owner rather than the vehicle although the latter connection will by no means disappear.

Plate-to-owner is the most common system in North America and has a number of advantages. It should eliminate the very difficult situation which arises when a person sells a vehicle and trusts the purchaser to register the change in ownership.

Mr. Stokes: You mean we are not leading the world in this?

Hon. Mr. Snow: Just half the world, Jack.

Today, if the buyer fails to do so, the vendor can be faced with all kinds of problems, particularly parking tickets related to vehicles which he no longer owns.

Related to this change in approach will be the conversion to a staggered renewal system which will spread renewals over the year by the use of the owner's birth date. Vehicle permits validated between December and February next will be for varying periods depending on the owner's month of birth. Thereafter, future renewals will not all come at once.

This change will be accomplished through the regulations. A feature of the better identification of the owner which will be made possible by the new system will be the ability of municipalities to collect parking fines. Where fines are in default the courts will have the power to order that an individual's permit and plates not be revalidated until they have been paid.

Mr. Speaker, that, briefly, is the content and purpose of Bill 84.

Mr. Nixon: Mr. Speaker, on the face of it I

think the proposals put forward by the minister have a good deal of merit. We certainly intend to support them. However, I have about five hours' worth of material prepared about the utilization of the highways and the traffic act that controls them, and in launching into that I just want to say to the minister that if this program is as successful as the program for renewing individual driver's licences on a three-year basis on the driver's birthday, then probably this bill has a good deal to commend it indeed.

As a person who occasionally gets a traffic violation ticket myself, although members will be glad to know that my points are practically down to zero and my aim is to get them there, I can understand that many municipalities have a good deal of difficulty in collecting the revenue they would expect from parking fines and things like that. From time to time we read articles in the metropolitan press about people who simply ignore them, carry sheafs of them around or throw them all out and simply scoff at the law. Frankly, I am always somewhat offended at that, and when I am the recipient of any of those little missives, it is very seldom that there is anything unfair on the part of the issuer.

The idea of actually having a plate that is the property of the individual rather than of the car is an interesting one. I understand this has been done in the United Kingdom for many years and that some interesting and attractive plates are sold over there at very high prices because some of the very early plates, issued back in the 1920s and 1930s, seem to have certain attractive features to them.

Over here, where the ministers drive around in cars which have special licence plates on them, I suppose those plates will be registered in the name of the province of Ontario and will not travel with the ministers when they go to their proper reward on the liquor board or the Ontario Racing Commission or wherever it is we decide to place them when the time comes.

So I am quite enthusiastic in my support for the bill, and I have really forgotten the other four hours and 59 minutes of my speech.

Mr. Samis: Mr. Speaker, not having as many demerit points as my colleague the member for Brant-Oxford-Norfolk, I am always pleased to

follow him in a transportation debate. It almost seems to have been a habit in this place during the last few bills.

We will support this bill for a variety of reasons. First of all, it makes sense for the drivers of Ontario. Anything that reduces the mess, the lineups and the confusion that arise in February every year would be welcome. The municipalities will obviously welcome it; the provincial ministry does, so we will support it.

I have just one or two concerns I would like to raise briefly. I will follow the example of brevity set by my colleague, unlike our colleague the member for Rainy River (Mr. T. P. Reid), who is not interested in brevity.

There is one consequence of the passage of this bill that bothers me a bit, and that is the idea that everybody in Ontario will be paying a uniform fee as a result of this bill. For example, somebody who drives an eight-cylinder model of more than 6.5 litres will see his fees reduced from \$80 to \$48, and somebody driving a regular eight-cylinder model will have them reduced from \$60 to \$48. This will benefit the member for Nickel Belt (Mr. Laughren), of course. The unfortunate consequence of this is that someone who is driving a four-cylinder will see his cost go up from \$32 to \$48.

This is the government that used to preach to us about the values of conservation. They wanted us to use less energy in the province; they wanted us to resort to smaller cars; they kept talking about depleting resources. Yet a consequence of this bill is that we are rewarding the people who buy the gas guzzlers—the most inefficient, the largest, most powerful cars on the road—and we are penalizing the people who are buying the smaller, more economical four-cylinder cars that this government has been telling us we should be driving.

This is the government that tells us to “Pre-serve it, conserve it,” yet with this bill we are rewarding the guzzlers and penalizing the real conservers. As a result of a bill such as this, I wonder if the public is not a little jaded in its attitude towards the government when it talks about conservation.

8:10 p.m.

I want to quote a letter that was sent to the member for Peterborough (Mr. Turner), and circulated to the opposition critics, from a Mrs. Shirley Littlefair, which I thought was kind of interesting.

It says, “Dear John”—obviously, she is very familiar with the member for Peterborough.

“In Saturday’s Toronto Star I read a news

item headed, ‘Gas Guzzlers May Get Break Under New Licence Plan.’ The body of the item says that: ‘The Ministry of Transportation is considering charging a uniform \$48 for all cars regardless of engine size. Transportation Minister Snow says that he feels this is not unfair because, “With the fuel tax system, the person with the gas guzzler certainly pays the penalty at the gas pump.”’

“That is ridiculous. The owner of the gas guzzler is paying taxes on gas purchased just as a tax on any other purchase. The licence fee has no relation to gas purchases.

“For the past several years, citizens were urged to buy fuel-efficient cars in advertisements paid for with government money and brochures also paid for with tax money. Even spokesmen for the Big Three feel that lowering the licence fee on big cars is unlikely to reverse the trend to purchasing smaller cars, because people purchase smaller cars because they are fuel efficient. Thus the increase is unlikely to assist the manufacturers who are still in the big car business. There are far more purchasers of small and medium cars than large luxury cars.

“This step, if taken, will certainly enrage the many low and medium-income voters who own smaller cars who would then have to pay greatly increased licence fees. If a person can afford to buy an eight-cylinder car with an engine over 6.5 litres, he or she can well afford the licence fee they are currently paying and need no subsidization at the cost of lower-income people.

“Please use your influence to bring these feelings to the attention of the minister concerned.”

I think that summarizes rather well the basic feeling of people who do not buy the big cars, that somehow they are being penalized or, as a result of this bill, are subsidizing the big gas guzzlers.

I want to make a second point on this bill. It seems to me that back in 1977 when we had an election campaign, the member for Kenora (Mr. Bernier), the present Minister of Northern Affairs, made a big whoop-de-do politically about the fact that in northern Ontario they would reduce the fees to \$10. This was a great selling point across northern Ontario: “We care for the motorists of the north. We are not going to make you pay the same rates as those nasty southerners, so it is \$10 for everybody.”

The member for Nickel Belt (Mr. Laughren) remembers that well in the election campaign. I am sure my colleague the member for Lake Nipigon (Mr. Stokes) remembers it rather well.

Yet once again, this government fails to "keep the promise." As a result of this bill, the people in the north will be paying more than double what they are currently paying for their licence fees.

The former ratio was five to one. If one took the three categories in southern Ontario and averaged them out, the ratio was five to one. As a result of this bill, that ratio is reduced to two to one. Obviously, motorists around the province are getting shafted, but particularly those in the north, as I am sure my colleague the member for Lake Nipigon can outline. This is another example in a long list of forms of discrimination and shortcomings that the people of the north have had to deal with.

The third and final point I would like to raise is that I hope the minister could clarify exactly how it is intended to implement the validation process whereby this bill will give the power to refuse validation of a permit, which we would support; whether that would be an absolute refusal on the basis of a failure to pay one particular fine, or whether there will be some leeway given. I would appreciate some clarification as to exactly where and how they intend to draw the line.

In summary, we support the bill. We think it is overdue and it will have our full support.

Mr. Stokes: At the outset, Mr. Speaker, I want to say to the minister that we will support the principle of this bill—

Mr. Rotenberg: But.

Mr. Stokes: —but the thing that troubles—for a fellow who, the last time he had anything to say in this House, got himself into a mess of trouble—

Mr. Rotenberg: Not me.

Mr. Stokes: —and for somebody who is a former deputy chairman of the committee of the whole House, he would do well to remain silent.

Mr. Samis: Especially on Monday night.

Mr. Stokes: At the outset I will say that we will support the principle of this bill but—

Hon. Mr. Snow: What has that got to do with the principle of the bill?

Mr. Stokes: Talking about principles, Mr. Speaker, the minister knows, as I know and all of the 750,000 people in Ontario living north of the French River know, that he is using this bill as a device to even the score between the disenfranchised eight million people living south

of the French River and the 750,000 people living north of the French River.

I appreciate that the minister could change the registration fees without any reference to this august assembly. He could simply have done it by regulation. In his opening comments, in justifying the introduction of this bill, he mentions the registration.

I have no particular grievance with this particular minister because I happen to think that he is, without a doubt, the most effective and efficient minister of all the 26 ministers over there. Most of the things I bring to his attention he takes seriously. I do not win them all but he reacts in a way that is practical and one that satisfies in large measure. The few exceptions are Highways 527 and 584 and he knows them as well as I do.

The point that I want to make in speaking to this particular bill is this: As my colleague the member for Cornwall mentioned, this ministry and this government decided to change the registration fee to the advantage of residents of northern Ontario because the roads up there are not, generally, of as high quality as the Queen Elizabeth Way, Highway 400 or Highway 401. Nor do we expect them to be; we do not have the same volume of traffic on most northern roads.

Mr. Nixon: There are quite a few roads in the London area that are not up to that stage.

Mr. Stokes: I do not know what things are like in Delhi, Paris or St. George in the riding of the member who interjected. I will allow him to speak for those roads and I will speak for those north of the French River.

We do not expect them to be of as high a quality. But as a result of the high cost of travel in northern Ontario, the distance, and the more numerous road hazards that we are exposed to in the more severe climate in northern Ontario, this government in its wisdom decided that there should be a uniform \$10 registration fee for privately owned vehicles utilized on roads north of the French River.

That had some merit, and before the first Organization of Petroleum Exporting Countries crisis in 1973 and 1974 it sounded like a reasonable approach, a kind of compromise. I am reluctant to say it was a sop that was thrown at members of northern Ontario because to a person it was appreciated. Now, for some unexplained reason, the minister and his cabinet colleagues have decided to increase the registration fee from \$10 to \$24, which is pretty close to a 150 per cent increase.

8:20 p.m.

When the \$10 registration fee for vehicles operating north of the French River was granted, it was said to be because we had to devise some way of equalizing the cost of motor vehicle fuel in northern Ontario with that in southern Ontario. At that time, before the feds got hold of it, we were dealing with measurements in imperial quantities. Now, for some strange reason, we have the metric system.

What was the situation when the \$10 registration fee north of the French River was started? I am sure the minister will remember that the disparity in the cost of gasoline between southern Ontario generally and northern Ontario generally, was between 12 cents and 15 cents per imperial gallon.

This minister, his predecessor and his colleagues, the former member for Cochrane North and the member for Kenora (Mr. Bernier), said, "We must find a way of levelling things out." So he devised a way of doing it by instituting the \$10 registration fee. We all applauded him for that. We said, "At long last, the people in southern Ontario are coming to realize that there are these disparities between north and south in the cost of operating a motor vehicle." We applauded the minister for that. But what has happened?

With the first OPEC crisis in 1973-74, the cost of a barrel of raw crude went from about \$2 a barrel almost immediately to \$13 a barrel, and members know what it is now. It ranges anywhere from \$29 a barrel to \$40 a barrel depending on where one buys it, whether from the OPEC countries, Venezuela, Libya or wherever.

I am sure when the minister flies up north he does not need to stop at a gas pump. He phones ahead and has somebody fill up the government plane or, in many instances, his own private plane with Avgas. He really does not know. But I want to report to the Minister of Transportation and Communications that we were complaining six, seven and eight years ago about the difference in the cost of gasoline between southern Ontario and northern Ontario, a difference of between 12 cents and 15 cents for an imperial gallon, depending on what the service station operator chose to ask for his product.

Now, in metric terms: Last week I had occasion to go out to Scarborough, and needed gas. It was not a self-serve outlet I used but one where, when one pulls up to the gas pump, somebody comes out to fill the tank. He wanted 39.6 cents per litre for regular number two gasoline. If I go to Thunder Bay, where I leave

my car before flying down here, I can drive up to a self-serve where I pay 41.2 cents per litre. Members can understand that it costs to transport gasoline the approximately 900 miles between Toronto and Thunder Bay. But the difference between Scarborough and Thunder Bay is 39.6 cents per litre compared to 41.2 cents per litre.

What happens the minute you leave Thunder Bay? I jump in my car and drive 132 miles east to my home town of Schreiber. In Schreiber I pay 48.2 cents per litre. That would not sound too bad if we were talking about imperial gallons, but there are 4.4 litres in every imperial gallon. When the government was playing around with the registration and decided that it should be reduced to \$10 for an ordinary vehicle in northern Ontario, the difference in cost per imperial gallon was between 12 cents and 15 cents.

What is it now? It is the difference between 39.6 cents in Scarborough and 48.2 cents in Schreiber, times 4.4 litres. One does not have to be a mathematician to calculate that.

I have a little calculator that beeps on the hour. I can figure out the discrepancy between the cost of gasoline in Scarborough, the city of Thunder Bay, Schreiber, Marathon, Manitouwadge or Pickle Lake for the minister. It is no longer a differential of 12 cents to 15 cents between southern Ontario, generally speaking, and northern Ontario. It is much closer to 45 cents a gallon.

The minister comes from Oakville or nearby. I have had the pleasure of his hospitality on that rambling place right next to the golf course out there. I do not deny him that; I would love to have that kind of lifestyle myself. But if he had to drive the 250 miles from Manitouwadge to Thunder Bay for a medical appointment or, conversely, if he wanted to go east and drive another 250 miles from Manitouwadge to Sault Ste. Marie I wonder if he would do something to even out the discrepancy.

If he happened to live in Pickle Lake and he had a toothache, he would drive 192 miles down Highway 599, then turn east and go 157 miles from Ignace to the city of Thunder Bay where he might get a dentist to look after his toothache.

The minister knows the mileages I am talking about. If he ever was sincere and he wanted to do something to even out the discrepancy in something as essential and as basic as the cost of motor fuel oil, he should have maintained the registration fee. I am not saying he should have

left it where it was but he should have maintained that differential. He did not do that.

I do not have to go into the criticism as to why he did not do that; my friend from Cornwall has already done that. But when the government has the member for Algoma-Manitoulin (Mr. Lane), the member for Sudbury (Mr. Gordon), the member for Nipissing (Mr. Harris), the member for Cochrane North (Mr. Piché) and the member for Kenora, I am wondering what happens in caucus. What happens around the cabinet table whenever the minister brings in a bill like this and has the ministers review the result of legislation such as this for residents of northern Ontario? I wonder just what the thought processes were in bringing in this change in the registration fee.

8:30 p.m.

I am surprised you have allowed me to go on so long, Mr. Speaker, because it is really not even mentioned in this bill.

The Acting Speaker (Mr. Cousens): I thought you would tie it in beautifully.

Mr. Stokes: Yes. The registration is mentioned, but the actual amounts are not; that is done by regulation. They could have done that without even bringing in this bill at all, but the fact that he mentions it in his opening remarks is sufficient justification, for me at least, to make the comments I have made.

For a minister such as the Minister of Transportation and Communications, who is so sensitive to the needs of people in northern Ontario for a good transportation network, who is so sensitive to the fact that we have asked him, whenever he embarks on a road upgrading or a road improvement program, not to allocate sufficient funds to build a four-lane highway, as the member for Brant-Oxford-Norfolk mentioned earlier—some of my constituents are asking for it; I happen to think it is unrealistic, given these times of restraint, constraint, austerity, whatever you want to call it—but to pave the shoulders on all those areas where they are expecting improvement—

The Acting Speaker: I trust you will tie this in to Bill 84.

Mr. Stokes: Yes, I intend to get back to that. I did not think you were listening.

Because the minister is so sensitive to those kinds of things, I am wondering what the thinking processes were, what gave him the idea that he was maintaining the status quo when he allowed the registration fee for vehicles operating north of the French River on roads in

northern Ontario to jump almost, let us say, 140 per cent.

I think it is a betrayal of the action he took when he sought to correct the imbalances between southern and northern Ontario. He has abandoned them completely now. I would not be so uncharitable as to suggest that it was done a year after an election and perhaps he could correct it a year before another election. I would not suggest that for a minute. But I would like to know, my constituents would like to know and the 750,000 people living north of the French River want to know why he changed his mind.

Mr. Laughren: Mr. Speaker, I want to take a little bit of issue with the previous speaker. I trust it will not surprise the previous speaker at all, in view of his laudatory comments to the Minister of Transportation and Communications.

I know the present minister will correct me if I am wrong, but I believe the highest proportion of highway funds ever spent in northern Ontario was when the Minister of Transportation and Communications was a northerner, the late John Rhodes, and I believe that for northern members he was a breath of fresh air in that ministry. The present minister has a different view towards roads in northern Ontario.

I can recall asking and complaining over the years about a highway that runs between Sudbury and Timmins, Highway 144. I complained for years that it was two feet narrower than all other standard highways in the province and that it should be made two feet wider. I was pleading with the minister in this chamber one day, and I ended with a rhetorical flourish saying, "Mr. Minister, will you add two feet to that road? and the minister stood up and said, "Width or length?" From that point on I figured there was no hope for the present Minister of Transportation and Communications.

What I found interesting was, when I looked at the principle of the bill and some of the points raised in the explanatory notes, I could not help but tie in each of those explanatory notes with the things that were being done as side issues with the explanatory notes.

For example, I looked at the explanatory note that says: "Permits, except for trailers, will continue to require periodic validation." I said to myself, "What does that have to do with increasing the rates for plates in northern Ontario?" I could not come to any conclusion. I do not know how the minister did that.

I look at my seating plan and I see we have the

member for Parry Sound (Mr. Eves), the member for Sudbury, the member for Nipissing, the member for Algoma-Manitoulin, the member for Sault Ste. Marie (Mr. Ramsay), the member for Kenora, the member for Fort William (Mr. Hennessy), the member for Cochrane South (Mr. Pope), the member for Cochrane North, the member for Timiskaming (Mr. Havrot), all of them government members who told their constituents, "You elect a government member to get things for this riding because you need a member on the government side."

Guess what? Those ridings elected government members and look what they are getting and look where they are getting it. Let us take a look at that.

Mr. Gordon: Lots.

Mr. Laughren: The member for Sudbury said, "Lots." When the people in Sudbury look at what they have received since that member was elected, they are having second thoughts.

Interjections.

Mr. Speaker: Can we get back to Bill 84, please?

Mr. Stokes: The minister started it.

Mr. Laughren: I am only commenting on the minister's opening remarks. These members promise one thing when they are running for election for the government and as soon as they get elected, they hear whispers in their caucus, "You had better shut up and stop talking about northern issues or you will never get in the cabinet." That is exactly the message those members from northern Ontario get.

I can remember the member for Algoma-Manitoulin introducing a bill to standardize gasoline prices across Ontario. What happened? His caucus would not even support him on his bill. He is the member for High Park-Swansea (Mr. Shymko) of the north. He cannot get support from his own caucus for a bill that would bring some sense to gasoline pricing in the province.

Mr. Martel: Gordon was going to nationalize part of Inco.

Mr. Laughren: Let us not talk about the member for Sudbury. He is not in this bill and never will be part of any other bill.

Mr. Martel: Twenty per cent, was it not, Jim?

Mr. Laughren: I am trying to stay with the principle of the bill, Mr. Speaker.

Mr. Speaker: I have noticed.

Mr. Laughren: My colleagues keep interjecting. I do believe that when the minister introduces a

differential in the pricing for plates between northern Ontario and southern Ontario and uses it as a major election issue, then when he removes that distinction, or part of it, he has an obligation to do that in an election period as well.

But not this government; it lays on the goodies before the election and takes them away after the election. What do the members for northern Ontario say? Absolutely nothing. One of my colleagues said their lips were sealed. It really does appear to be that way.

I see two members from the north in the House this evening. I very much hope they will have the courage to get up and speak on this bill and tell us how they feel about having that differential at least partially removed between northern Ontario and southern Ontario, particularly given the data the member for Lake Nipigon laid before the chamber this evening on the differential in gasoline pricing.

I am glad to see the member for Fort William come into the chamber. I want to know what these members think about that differential in gasoline pricing and the reduced differential in the price of licence plates in the province. I look forward to hearing their comments.

8:40 p.m.

Interjections.

Mr. Lane: Mr. Speaker, I appreciate that you are allowing people to speak other than on the principle of the bill. I would like to agree with my colleague the member for Lake Nipigon that there is a need to recognize the cost of travel in northern Ontario as opposed to southern Ontario. For the record, it just so happens that I did bring in a bill to try to equalize the price of gasoline and heating fuel in northern Ontario. My bill was vetoed.

Mr. Laughren: Right, by your own party.

Mr. Lane: But I did get the \$10 licence. Okay?

I also agree with my friend the member for Lake Nipigon that our present minister is one of the best ministers we have ever had in Transportation and Communications, but I am somewhat disturbed by the fact that we have increased the licence fee in northern Ontario by about 140 per cent.

I just want to put it on the record so the member for Nickel Belt will know it was my bill that prompted the \$10 licence fee in the first place.

Mr. Haggerty: Mr. Speaker, I want to rise and speak in support of Bill 84 in principle, which

provides that the vehicle licence will remain with the person who has the vehicle in his name.

There are some problems that I find with the bill, in particular under section 7. I would like to have the minister tell me in detail what all of these sections mean, because I think we are dealing with a piece of legislation that a great number of the general public will be using day by day, and they may sometimes encounter a police officer who informs them of some infraction under the amendments to the bill.

According to section 7(1), "Subsection 15(1) of the said act is amended by striking out 'sections 7 and 10' in the first line and inserting in lieu thereof 'section 7.'" Section 7(2) goes on, "Subsection 15(2) of the said act is amended by striking out 'sections 7 and 10' in the second line and inserting in lieu thereof 'section 7.'" It goes on for about four or five different sections.

Section 7(5), "Regulations," states that "The Lieutenant Governor in Council may make regulations providing for the temporary exemption of vehicles or any class thereof from section 7"—and we seem to talk quite a bit about section 7—"or any provision thereof."

To me this seems to be rather an important section of the bill, which does not really explain what the ministry is trying to do or trying to resolve. We have another section here where the Lieutenant Governor—that is the cabinet, I guess—would make a decision as to who will be exempt under the act, and there must be a reason for that. Can the minister explain to me what vehicles we are expecting to exempt under that particular section?

The other matter I am particularly concerned about is the local MTC offices in a number of communities. In particular I am thinking of the ones in the city of Welland. People from Fort Erie, Wainfleet, Port Colborne and other areas have to drive a considerable number of miles or kilometres to get to a licence establishment run by the ministry, particularly for drivers' licences. I suggest to the minister that often in order to obtain a driver's licence a person will go through the normal process of driver education and written examinations—

Hon. Mr. Snow: We are not discussing drivers' licences.

Mr. Haggerty: I know, but we talked about gas, which has nothing to do with the bill either, and it has been going on for quite a while. I am just bringing this to the minister's attention because it is perhaps the only time we will have this opportunity.

There is a problem there when many of these

persons would want to get a driver's licence; they will have difficulty getting it too. Sometimes in order to get a driver's licence a person will have to lose a day's wages because MTC offices are not open on Saturdays. They operate to about four o'clock in the afternoon and that is the end of it; they are not open in the evenings. In a sense, they are not open for the convenience of the public at all.

I can cite a case under the new sections of the act where firefighters had to obtain drivers' licences. It cost the city quite a sum of money to send those drivers down there with their equipment. I am talking about taking a fire truck down there across the city. It costs quite a sum of money to send those drivers down there to take the tests. At least in some cases the examiners could go to the municipality and use the rig from a firehall for the test instead of having one man go down for four hours one day and another man the next day. That adds to the administration costs of the local municipality.

It would not hurt to let some of the civil servants work from Tuesday to Saturday so that the office could stay open on Saturdays. They could take Sunday and Monday off instead of Saturday and Sunday. I suggest a little more consideration could be shown to the public.

I want to direct a question to the minister concerning gas. The latest gimmick by the federal government, in which this government also participated, was to encourage home owners to switch from oil to natural gas. Now, with the proposed new rate, the cost of heating a home with natural gas may make home owners feel it would have been more economical to have stayed with oil or to have switched to electricity.

How far is the government going to go with the idea of encouraging motorists to use propane gas to run their vehicles? Will they continue to be exempt from road tax, or is this just another way of getting them to purchase a vehicle at additional cost, only to find, two years down the road, that they will have to pay road tax? Perhaps people in northern Ontario will use propane gas in the hope of reducing the cost of driving in northern Ontario. I think the public deserves to know how long the government plans to provide the road tax exemption to those switching to propane gas.

Mr. Swart: I had not intended to speak on this bill until the member for Brant-Oxford-Norfolk laid some claim to the right to speak because he had lost some points over a period of time. By the same measurement I think I have as much

right as anybody in this House to speak on the bill, although like the member I have received most of them back by this time.

It has already been indicated that our party is generally in support of this bill. As previously mentioned, it will eliminate the lineups we have every year in February. As far as the minister is concerned, the revenue will be evened off and if I compute it correctly his ministry will get more revenue in advance than it does at the present time. According to my computation, the revenue will be coming in during the year so that by the end of the year the ministry will have received the total amount. Previously, that money did not come in until February. So the new system is a financial advantage, at least in the first year.

Like some of my colleagues I want to say something about the proposed change in the fees that will be charged. It seems to me they are contrary to two principles which the government has espoused in recent years, the first of which, as mentioned by my colleagues the members for Lake Nipigon and Nickel Belt, is that the government is again moving away from the policy of assisting the people of the north by lowering the unit charges in recognition of the long distances they have to travel.

Their present licence fee of \$10 will be raised to \$24. Last year's ad valorem tax also increased the amount of money people in the north will have to pay.

8:50 p.m.

The second area in which he appears to be going contrary to recognized fee-setting policy is with regard to the conservation of energy. When there was a difference of \$46 or thereabouts between large automobiles and small automobiles in recognition of the difference in the consumption of gasoline, he did give some recognition to the conservation of energy. Now that has been changed and we are going to pay the same fee regardless of the size of our automobile or the consumption of gasoline.

I am not sure about this and perhaps the minister would like to comment on whether in view of the tremendous increase that he is making in the gasoline tax by using the ad valorem tax, he is going to move over a period of some time to really just a nominal charge for licences. It seems to me that with the increase he made this year on gasoline tax this would have been the time to do it. Perhaps he should have moved all of the licence fees down to the lowest denominator, down to the \$34 or \$36 for

the small car, but instead of that he has taken kind of an average.

The minister knows the bill his government has just brought in regarding municipal licence fees says that municipalities may not charge licence fees over and above what it costs them to administer the licence fees. It seems to me if he is interested in energy conservation, if he is interested in the same principle that he says the municipalities must follow, then he should be setting a licence fee on automobiles at a nominal fee just to cover the cost of issuing that licence. The money he has to raise for the building and the maintenance of roads can be raised out of the gasoline tax. It is certainly high enough now. His ad valorem tax will make up for much more than any loss he has on the licence fees if he had lowered them down to the minimal level.

Mr. Speaker: Will the honourable member get back to Bill 84 please?

Mr. Swart: Yes. Bill 84 really is the framework where we set the licence fees and therefore it seems appropriate to comment on them under this bill, as the others have done.

This is the start of a sort of reversal of the policy of licence fees as a major fund raiser for the government. If the minister made a nominal charge, then perhaps I could support the uniform fee. Even though I come from the southernmost part of this province, I cannot support nor can anybody in this party support the shifting back again towards the uniform fee across the province. They are shifting in that direction and charging the people in the north as much as he does down here in the south.

While there are some items in this bill, some measures in this bill, some clauses which are very commendable in themselves, the minister should get up and say in his reply that he is going to adopt a policy—because it is not in this bill, as he has already pointed out to me and to many others—regarding the licence fees, and he should say that the announcement he made about these will be reversed and he is going to use the sensible approach of the lower fees in the north and minimal fees for licences in general in this province.

Mr. Hennessy: Mr. Speaker, I would like to rise on behalf of the people of northwestern Ontario.

Mr. Cassidy: This is an historic event.

Mr. Hennessy: I beg your pardon?

Mr. Cassidy: Will you vote against the bill?

Mr. Speaker: Never mind the interjections.

Mr. Hennessy: Thanks a lot. I think I will be over there. I think the people of northwestern Ontario are faced with a very difficult task because, as the other members have mentioned, northwestern Ontario's costs are very high in regard to gas. The distances are quite large. We have quite a lengthy winter.

Mr. Cassidy: Will you vote against the bill?

Mr. Hennessy: I think that raising it up to \$24 is a little bit too high. I thought maybe a slight increase would have been satisfactory, but raising it to \$24 is difficult. From \$10 to \$24 is quite a high increase. As has been mentioned, with the high cost of gas, particularly up in the northwestern part of Ontario, up in Lake Nipigon, it is very difficult for people who have to go 100 or 50 or 60 miles to get to a destination.

I would also ask the minister if he would give consideration to rescinding the ban on studded tires in northwestern Ontario. They were a great deal of help to us at the time. There have been no steps taken by the minister to look in that direction. I say with the members from the north, I am not for it. As Big-Mouth Cassidy says, I will vote against the bill.

Mr. Newman: Mr. Speaker, I rise to make a few comments on Bill 84, An Act to amend the Highway Traffic Act, and I wish to inform the minister I will support the bill. I approve the fact that he and his officials have finally taken up a suggestion, which was made to them back in 1979 by myself, for the use of a staggered system of issuing both licence plates and drivers' licences. The state of Michigan implemented that not too long ago. However, on its implementation, 27 different states in the union were already using the staggered, or birthday, system.

It is nice to see that the minister, with his officials, is stepping into the 20th century. I understand, though, it is not too simple to change after there has been one type of system for a substantial period of time. There are a lot of ramifications with it, and the minister, in a letter to me back in 1980, stated at that time he did not expect it to be accomplished before December 1982. His officials, by getting on it, have been able to accomplish it earlier, because here it is June 1982 and we have just exactly what had been suggested to the ministry approximately three years earlier in February 1979.

Hon. Mr. Snow: Mr. Speaker, I am pleased to respond to comments of the honourable members. First of all, the member for Brant-Oxford-Norfolk—oh, he has left. One of his comments was in regard to special numbered plates

and he suggested they should be available at a high fee. I would like to tell him they will be. We will not have the special numbered plates available immediately, because we do not want to start into that at the same time we are bringing in the new system, but six months later we will be making special numbers available of six digits. There will be quite a wide choice for those who wish to apply for them at that time.

The member for Cornwall talked about the uniform fee. I will say we gave a great deal of thought to this when planning the proposal. I must point out to the members that it is not the responsibility of my ministry or my officials to set the fees for motor vehicle licences. This legislation provides for a fee to be charged. That fee is a budgetary item and was announced by the Treasurer (Mr. F. S. Miller) in his budget on May 13, as it always has been, certainly as long as I have been here. Any time there was a change in motor vehicle licence fees it was announced in the budget.

9 p.m.

Mr. Stokes: It was a collective decision, though, it is to be hoped.

Hon. Mr. Snow: I do not know what the former Speaker, the member for Lake Nipigon, means by its being a collective decision. Budget decisions are decisions that are announced by the Treasurer on the night of the budget. I will not take any credit for the \$10 fee which was announced by the Treasurer in a previous budget. My ministry implemented that fee, which was announced by the Treasurer as part of the budgetary process, as we will implement the fee here.

Mr. Boudria: Does that mean Mickey will vote against the budget?

Mr. Speaker: Order.

Hon. Mr. Snow: We did ask specifically for a uniform fee for southern Ontario and a uniform fee for northern Ontario for all motor vehicles, automobiles and small trucks.

Mr. Stokes: Why don't you equalize the price of gas?

Mr. Speaker: Order.

Hon. Mr. Snow: The member knows that I and my ministry have nothing to do with the price of gas, less even than I have to do with the price of licence fees, but we did ask for a uniform fee with this system. It is not reasonable to have a fee for different numbers of cylinders to implement this system when we start charging so much per month.

Also, we asked for a fee that was divisible by 12, because when one goes to get his licence renewal next January or February—or December if he wants to buy it early—he will buy his licence plates for a period of from six to 17 months, depending on when his birthday is. It will not be an annual fee. If his birthday is in May, he will be buying a 17-month licence; so it will be very difficult to implement that type of system, charging for a 17-month fee.

The plate will stay with the owner of the vehicle. If he had a six-cylinder vehicle and he traded it in and got a four, he would be asking for a refund. If he traded the four in and got a six, he would be asked to pay extra as he transferred back and forth. Now he will get full value for his licence plate. If he trades his car in May or June, he does not lose the plate that he bought on that car. It does not go with the vehicle and sit around in a used-car lot for the rest of the year or for several months. He has paid for that plate for a year; he takes the plate off his old vehicle, puts it on his new vehicle and he will get his full money's worth on that basis.

We did ask for a uniform fee. I did not set the fee. For northern Ontario it could have been \$12; for southern Ontario it could have been \$12. It was a decision of the Treasurer to set that fee. He gave us a uniform fee for northern Ontario and a uniform fee for southern Ontario. He gave us a fee that was divisible by 12. Those were the parameters I asked for and they were the ones we were granted.

The member for Cornwall (Mr. Samis) made an inquiry as to the validation refusal procedure. From the remarks he made I am not quite sure what his concerns were, but a licence renewal for a vehicle will be refused if there are outstanding parking fines against that vehicle.

At a certain stage, parking fines that are unpaid to the municipality, to the court through the normal process, will be sent to us to be registered against that vehicle. About six to eight weeks ahead of the registration coming due for renewal, a notice will be sent to the owner of the vehicle similar to what is done today with the driver's licence, saying the vehicle is due for renewal on his birthday—in my case, July 12 of a particular year.

Mr. Stokes: Did you get a horse on your birthday?

Hon. Mr. Snow: A white horse, yes.

The notice will also say whether there are outstanding fines against the vehicle, and if so that these fines must be cleared before you can renew. Those can be cleared in two ways. You

can go to the court and pay the fine ahead of time or, when you renew your licence, you can pay at the licence renewal office. In any case, those fines must be paid or your licence will not be renewed.

I say to the member for Lake Nipigon, as I think I have already explained, this is not any kind of a device to even the score with anyone. I have explained how the fees were set. I have explained the needs of our ministry and the fact—

Mr. Stokes: You wanted a neat administrative vehicle, and the north suffers as a result.

Hon. Mr. Snow: I would not say that. Any differential could have been maintained. The southern Ontario fee could have been \$36, \$48, \$60, \$72 or \$84. In fact, I believe we have one of the lowest fees of any jurisdiction I know.

The member for Nickel Belt (Mr. Laughren) talked about Highway 144. I am not quite sure how that got into this bill.

Mr. Martel: Don't call that a highway.

Hon. Mr. Snow: I have to tell the member he must not have driven it lately. It has all been rebuilt, practically, and it has been widened by two feet.

Mr. Martel: It's a goat trail. It's still below standard. It's at least four feet below standard.

Mr. Speaker: Order.

Hon. Mr. Snow: The member for Erie (Mr. Haggerty) had some questions regarding a particular section of the bill. The old section 10 of this bill is now incorporated into the new section 7, and, therefore, there are changes in the references from section 10 to section 7.

The new subsection 15(5) wording is not connected in any way with the licensing procedure. It is a housekeeping amendment with regard to the reciprocity agreement in motor vehicle licensing.

The member also asked about the taxing of propane and other alternative automotive fuels. That, of course, is a budgetary item and beyond my control.

The member for Welland-Thorold (Mr. Swart) made some interesting comments. He thought we were going to get a lot of extra money in our till, or the Treasurer was, through this procedure. I remind him that the fiscal year-end of this government happens to be March 31, not December 31, and the licence fees paid in February were in that particular fiscal year. In fact, there is going to be a slippage of fees and a reduction of revenues in the first year rather than any increase.

The member for Fort William (Mr. Hennessy) suggested I go back to studded tires. Much as I respect most of his opinions, I have to tell him I have no intention of suggesting that we ever go back to studded tires.

The member for Windsor-Walkerville (Mr. Newman) talked about the staggered system for licensing drivers and vehicles which he recommended in 1979. I have to tell him that almost ever since I have been driving a car, and that is quite a number of years, there has been a staggered system for drivers' licences, and he as sure as the devil did not recommend it in 1979. If he did, he was about 30 years too late. Drivers' licences have been staggered for as long as I can remember. I asked my staff when they brought in the staggered renewal of drivers' licences on birthdays, and no one here has been around long enough to remember.

Mr. Ruston: You were snoozing when you should have been listening.

Hon. Mr. Snow: No, I was not. I have been listening very carefully. He suggested that he recommended in 1979 that we go to a staggered system for vehicles. I have to tell him that I have been minister since 1975 and we were working on it long before his suggestion in 1979. It has taken a long time, I have to say; it required a major effort to completely design a new computer system to handle the five million vehicles we have in Ontario. I regret that it has taken as long as it has but, regardless of that, we have it now and thank God.

Motion agreed to.

Ordered for committee of the whole House.

HIGHWAY TRAFFIC AMENDMENT ACT

Hon. Mr. Snow moved second reading of Bill 26, An Act to amend the Highway Traffic Act.
9:10 p.m.

Hon. Mr. Snow: I have a brief opening statement, Mr. Speaker. When this bill was given first reading on March 18, I spoke at some length about its principal component, the amendment to the seatbelt law, which would provide for the mandatory use of child restraint devices for small children when travelling in automobiles.

The new federal standards governing child restraints have now received final approval, thereby removing the major impediment to the mandating of their use. In the regulations, children will be divided into three categories: babies up to nine kilograms in infant carriers; from nine to 18 kilograms in child seats; and 18

to 23 kilograms in seatbelts but not shoulder belts.

There will be a number of necessary exemptions. All cars come equipped with seatbelts but not with child restraints; so the requirement that they be used will be basically in the terms of cars owned, leased and customarily used by their parents.

To meet the realities of the situation, we shall phase in the law in each category as I outlined on first reading. I point out, however, that the passing of this legislation should provide parents with the strongest recommendation that they take action to protect their infants as soon as their circumstances permit. It is to be hoped that most parents will act responsibly and not postpone such action until it becomes legally mandatory.

The bill also will increase the penalties for drivers who fail to stop for school buses that are flashing their red signal lights. The fines will be increased from between \$20 and \$100 to between \$100 and \$500 for a first offence and from \$250 to \$1,000 for a subsequent offence.

In terms of equipment, school buses will be required to install stop arms and crossover mirrors.

I trust the members of the House will support these measures to improve the safety of our children.

Mr. Nixon: Mr. Speaker, we will be supporting the bill in principle, but I have some rather extensive remarks to make about its provisions.

I am sure members will recall that it was private members' legislation from my colleagues that urged the minister to amend the seatbelt legislation so that it would include infants. Certainly we are very glad that has come about. I understand there is an amendment to that section having to do with date of birth and a few things like that, and we will have a chance to talk about it either later this evening or when the bill comes before the committee of the whole House. We are enthusiastic in support of that requirement.

I was interested that the bill permits a further increase in the legal length of the behemoths, if there is such a word, the trucks and trailers on our highways. I often think there is—

Hon. Mr. Snow: There is no increase in the length of trailers.

Mr. Nixon: The overall length?

Hon. Mr. Snow: There is no increase in the overall length. There is an increase in the length of a nonarticulated, straight truck.

Mr. Nixon: As I remember, sitting in the committee on highway safety chaired by Fred Young, it became apparent that there were internal politics being played among provinces and state jurisdictions with the lengths of various trucks.

The argument that was always being put to the minister, who has been here a long time, and to his predecessors, was, "We can have a truck of a certain length in Manitoba and of a certain length in Michigan and, therefore, we have to have it in Ontario."

I can see the value of uniformity in this connection, particularly in interprovincial and provincial-interstate trucking, but I would like the minister to give us some further information about this requirement.

I see he has carefully exempted any additional length that might accrue because of a mirror that sticks out. He seems to have thought of just about everything. Yet just when one thinks that, he comes in once more, in one short session, with two amendments to the Highway Traffic Act. They never seem to be able to get it just right.

One of the matters that concerns me, and it is one that I have brought to his attention previously, has to do with the school bus designation. On page 3 of the bill, clause 5(1)(b) says, "'school bus' means a chrome yellow bus . . ." and it goes on from there. Everybody knows that, I suppose, but it leads to certain problems when it is applied rigidly as the minister began to apply it last year.

This is the strawberry season—believe it or not, this is apropos the bill—and the government of Canada, with their normal useful initiatives through their employment offices, hire young people to gather other young people to go out and pick strawberries. They usually charter or rent school buses to carry the people out to the strawberry fields. They go out early in the morning to pick up kids who want to go to work, take them out to this strawberry field, see that they are properly looked after and paid and take them home at the end of the day. The school bus is not going from church to school or anywhere else of that nature, but it is chrome yellow.

A couple of my constituents, who are very big strawberry men indeed, decided to get their own young working people and bought buses of their own; they were used school buses. They came right up to the standards of safety, had properly licensed drivers and all the rest, but they were instructed by the minions of the

minister that they must not be chrome yellow. So they had to go to the expense of scraping them down, or whatever one does to a school bus, and painting them green or some other colour that would not offend the minister.

They phoned me with what I think is a legitimate complaint. The government of Canada was able to charter chrome yellow buses and nobody seemed to bother them, but the farmers who had a large enough operation to look after their own work force were forced to make the additional expenditure.

The minister and I have had discussions about this. When the minister finally says there is nothing that can be done about it—I have said it before, and I think it is far enough away from an election to say it again—I have a lot of confidence in him. He does not just turn to his assistants and say, "Can we do this or not?" My experience is that he tends to make his own decisions and even writes his own letters; which is something one gets very rarely from his colleagues. There is a certain grace and metre to his letters that are obviously his, and the nice part is he tells you yes or no in quite definite terms; which I appreciate, particularly when occasionally it is yes.

I felt I should bring the whole matter of chrome yellow school buses to your attention, Mr. Speaker, knowing of your interest in fairness, equity and strawberries. Otherwise, the bill looks pretty good and we will support it.

Mr. Samis: You have not resigned, I trust, Mr. Speaker.

We on this side will support the bill. Certain parts of it are just common sense amendments, such as the sections dealing with stiffer penalties for drivers failing to stop for a school bus. That is something we welcome over here in the hope that the message will get through to some of those dough-heads who do not yet observe the regulations regarding stopping.

Secondly, with regard to stopping distance, the only point I would make for the benefit of the minister's colleague from Leeds and for the millions of people out there who do not know what 20 metres means, is that it might be worth while to express the distance in feet as well when the publicity is prepared regarding the new regulations. I am sure a lot of people do not have the slightest idea of what distance 20 metres is; the member for Leeds (Mr. Runciman) or not, I think it is a fact of life.

9:20 p.m.

The question of crossover mirrors and stop

arms is something we discussed last year, especially the stop arm question. I am glad to see the minister has moved on that front. I think it will be a welcome addition, and I hope it will reduce any accidents or injuries as well.

The question of the length of vehicles is something we can accept without any problem. The question of tires etc. is a basic, common sense amendment.

My guess is that the whole focus of the bill, the guts of the bill, to the average person on the street is the section dealing with child restraints in automobiles and the simple fact that this bill will make them mandatory for the people of Ontario. We support the fact that the government is making them mandatory.

I want to pay tribute tonight to my colleague the member for Beaches-Woodbine (Ms. Bryden), who could not be here for this debate, because as far back as 1980 she introduced a resolution in this House to make them mandatory. She reintroduced it in 1981.

In 1981, we also had a resolution introduced by the member for Scarborough-Ellesmere (Mr. Robinson), which was supported on all sides of the House. It is unfortunate that no action was taken in 1981 on such a resolution, because it was obvious from that debate that it had support from all sides of the House. Unfortunately, the minister decided not to take any action in 1981.

It should be remembered that Ontario is not the first jurisdiction to move in this regard. As far back as 1977, the Legislature in Tennessee pioneered a bill in North America to make them mandatory. I think the experience of that jurisdiction has been highly successful and has influenced other states in the United States to adopt similar legislation.

Here in Canada, the example of Saskatchewan gives us hope in Ontario. It was the first province to introduce mandatory legislation, which it did in 1980. It is interesting to note that it did not wait for all the squabbling going on over federal standards before it introduced its legislation. It saw the need, it did something about it and, fortunately, it has worked out well.

It is also interesting to note that there are some interesting, fairly influential and broadly based groups in the province which have been pressuring for such legislation since well before 1982. In that regard, I refer to the Ontario Safety League, the Ontario Coroners' Association, the Ontario Medical Association, the Consumers' Association of Canada and the Ontario Motor League. They have all come out publicly for such legislation. I am sure they will welcome it,

although they are probably a little disappointed it took so long.

There may be some controversy about the whole concept of the phase-in. I would say that in the best of worlds, if everything was the way we wanted it, we probably would have liked to have seen the legislation apply to all children under the age of five this year. Had the government acted on the resolution introduced by the member for Scarborough-Ellesmere, we could have had that legislation passed quickly and applying to all children in Ontario in 1982. However, that did not happen. The reality of the situation is that we have the bill before us tonight.

Another reality we have to contend with as legislators is that since the debate on the resolution it is unfortunate that economic circumstances in Ontario have deteriorated considerably. We are faced with the reality that half a million people in this province are out of work. Layoffs and shutdowns are becoming a fact of life in every corner of the province. People who are still working are faced with wage freezes, wage controls and, in some cases, even wage cuts. In other cases, and I can say it is increasingly common in my own riding, they are faced with work-sharing just to hold on to their jobs. We have to look at the proposed legislation in the context of the overall economic climate.

This legislation is unique in a sense because it is mandatory. It means people are going to have to spend money. If we look at the average cost of the convertible seat, for example, we are talking about an average of \$65 to \$70 for one. If we are talking about the infant carrier, I think we are talking about \$35 to \$40. If one is talking about a family with a couple of children, this involves a not inconsiderable expenditure of money in a rather difficult economic climate.

In the context of those economic factors, we agree with the government that a phase-in is necessary. It may not be the most desirable way of doing it, but it is the most acceptable way in the present context.

It should be said that this is not the only concept of a phase-in. I am sure the minister has been lobbied long and hard by certain people who want this unit-per-car concept. I have given that some consideration. I can see some merit to it but, as a compromise, we are prepared to live with the concept introduced in this bill for phase-in, and we will support the phase-in concept contained in the bill.

I have three concerns about the bill that I would like to bring to the minister's attention

briefly. First of all, there has to be a fairly major initiative from the government for a variety of things. One deals with the loaner program. There are a lot of people out there, especially in this economic climate, who will not be able to afford to acquire one immediately, and I think we have a responsibility to them.

I notice that when the government of Saskatchewan introduced their legislation, if I am not mistaken, they funded up to 50 per cent of the cost through their government insurance corporation for the loaner program of the different seats and devices being made available to people.

The approach seemingly being taken in Ontario is that we are going to use the Ontario Safety League as some sort of volunteer umbrella organization. But look at the size of the budget: they have only one person working on it, their budget for this is less than \$20,000, and they are being told: "Go out and hustle the money in the private sector if you can. Try to convince people this is a good idea and raise some money for it." I suggest that in the present economic climate, with even major corporations facing all sorts of curtailments, cutbacks, layoffs and closures in some cases, this approach just is not adequate if we want to make this bill meaningful and effective in Ontario.

I pay tribute to the Jaycees and Jaycettes for the program they have initiated in certain communities. I think the one in Kingston is an outstanding volunteer program. But Kingston is not Ontario. How many communities have such a program today? I suspect it is less than 10 per cent. So, in effect, we are using somewhat of a shotgun approach.

I am somewhat concerned, when we have these volunteer programs, about who actually benefits from them. I have a terrible suspicion, which was confirmed at the seminar at the Royal York, that frequently it is the middle class who make the most use of them and the people they are aimed at, the lower-income groups, for a variety of reasons that I acknowledge do not make the best use of them and do not get the maximum benefit from such loaner programs.

I ask the minister whether he would give us some more information on what commitments he is making, especially of a financial nature, to a loaner program. Is he going to leave it totally in the hands of the safety council and the volunteer groups, telling them to fend for themselves in getting the money to acquire them, and then to publicize the program and make it

available to different communities around the province?

The second concern I have about the bill deals with the question of public education. I ask the minister whether he would give us some information on how much money his ministry will be spending on a public education program. I specifically refer to the mass media: TV, radio and the newspapers. It is okay to have a film, and I commend the ministry for having a film; it is okay to have pamphlets, and I commend them for having those, because they are useful in their own way; but surely for something of this sort we cannot ignore the mass media, we cannot just rely on films and pamphlets.

I ask the minister whether we are getting any commitment from his ministry, and whether any money has been set aside to use the mass media to publicize the law and the loaner program; to inform people why we are introducing such a law in Ontario and what the benefits are to the general public, especially parents and young families.

It is also important that the ministry involve various sectors of society to make this a successful law. Here I refer to the police. I think some very interesting ideas were used in Saskatchewan and Tennessee to make the police realize there is an educative as well as a regulatory role for them to play in making this law effective.

The hospitals, I think, are very obvious outlets; the Jaycees and Jaycettes and some of the doctors have pointed out just how valuable that source is. I would hope our public health units would be involved in educating people; I would hope the medical profession would see some responsibility and that the ministry would work with them as well as with public libraries, schools and service clubs, because I think they all have to be involved in the whole process of public education.

On the other hand, I do not think we can dump it all on their shoulders. The government has to take some initiative and be prepared to spend some money to show that it is willing to back up the law with some bucks as well as relying on these volunteer groups in the private sector to do their share.

I ask the minister whether in the whole process of public education he could check with the people, the Jaycees or Jaycettes and the various clubs, that have already done this, and possibly some of the other jurisdictions, to see whether there is some way we can more effectively reach the lower income group. Somehow the impression is that they are not the ones who

are most conscious of things like this, they are not the ones most likely to use it. Lastly, they are not the ones most likely to take advantage of a specific loaner program. We should determine if there is some way or some new idea that can be used to reach that particular segment of society.

9:30 p.m.

The third and final concern I have deals with the cost factor. These things are not cheap. We are talking an average of \$60 to \$70 for the basic seat or upwards of \$40 for the infant carrier. In the context of what has happened here in the last three or four weeks with the budget, it means for every citizen, every taxpayer of Ontario, an extra \$150 to \$300 they have to fork out this year.

In the context of the widespread layoffs, the general fears about the future of the economy and everybody's job, and especially in the context that this is a forced purchase—one does not have to go out and buy a hamburger and pay seven per cent sales tax, there are other options within the budget, but this leaves no options; if you have a child and you want to go out in the car and take the child with you, you have to have this. In view of the extra burdens being placed on people by the budget and by the nature of the fact we are not giving people any option whatsoever—we are forcing them to go out and buy either the restraints or the carriers—I would suggest that the minister use his good offices to exempt this item from the provincial retail sales tax.

I think there are arguments to be made for the fact that this is a forced purchase. There is no option, no choice left for the individual. We are legislating this in, and I support that legislation; the least we can do in the present economic climate is to partially reduce the burden by exempting this from sales tax. Beyond that, we will support the legislation.

Mr. Robinson: Mr. Speaker, I would like to begin my brief remarks this evening by complimenting the member for Cornwall (Mr. Samis) on his very good presentation, much of which I have heard before but which I was very pleased to hear again, and put so well tonight. I also want to take the opportunity to thank all the members on both sides of the House who have worked much longer than I have to bring this program to a head, to bring in this much needed legislation, to indeed save lives. We of the Legislature, though somewhat belatedly, and

we cannot take a lot of burden for that, are saving lives in what we do with this bill tonight.

There is a lot to the bill, and a lot to the issue itself. Because we have the support of all parties, I am pleased that a lot of what I said when I presented private members' legislation last October does not need repeating this evening. I will not take up the time of the House again making the case for child restraints.

Since last I spoke on this subject in the House, however, I have had the opportunity to do a number of seminars about child restraints. I had the opportunity to do some television work on it and also to do some questionnaires through newsletters. One of the most interesting facts that has come to my attention since we talked of it last is an exact profile of a typical accident in which a child is seriously injured or even killed.

Unlike what you may think, Mr. Speaker, it is not a high-speed, reckless chase, devil-may-care, criminal-negligence situation at all. The type of accident where children are most often injured is a general accident. It occurs on a weekday, rather than a weekend. It occurs during daylight hours between 8 a.m. and about 3 p.m. It is on a well-maintained road. I am sure the minister will be pleased that the road is not at fault. The weather is clear or overcast. The pavement is dry. There are none of the usual factors we associate with great danger on the roadway. The accident occurs, as most accidents do, we know from statistics, within a very few miles of the home. It is usually on a routine trip, to the grocery store or to the doctor.

The most susceptible victim is a one-year-old male infant. Statistically, they are hurt more often than any other age category or than the female sex. The child is generally located on the front seat of the vehicle. The child is not restrained. The mother is the driver—and I will say right now before anyone challenges me, there is no comment in there about anybody's driving abilities. The mother is equally unrestrained in these accident situations. The mother has not been drinking any alcoholic beverage. There are no defects in the car that contribute to the accident.

Mr. Bradley: Alan Robinson does not like lady drivers.

Mr. Robinson: You are supposed to tell me to ignore the interjection, Mr. Speaker.

Mr. Nixon: You can't ignore that one.

The Acting Speaker: Ignore the interjections.

Mr. Robinson: Moving right along, having been admonished and absolved of that one, it is

very interesting to note that the accident occurs on a very typical, weekday trip, one like those that are conducted hundreds of thousands of times in this country each and every year.

As one becomes more and more aware of the child restraint issue, as I know my friend the member for Cornwall is, and as one looks around every day on every street and every road in this province, one sees children standing on the front seat of the car, or loose in the back of station wagons, and one sees babies nestled in their mother's arms in the front seat. The mother may be restrained, but that will not save the child in an accident. It is all so typical. It is all so commonplace and so everyday in this province, and it is all so fatally dangerous.

Without making the case any further, that is what we are here tonight debating an end to. We are debating an end to something we cannot go back and replace in time. We cannot restore to those parents the 65 children who died between the years 1977 and 1980. We cannot bring back to health the nearly 7,000 children seriously injured in automobile accidents in Ontario during that same period, but through this legislation we can remove 90 per cent of the risks to those children each and every day on our roadways.

The member for Cornwall talked about the advertising program and it is very important. If members have not seen this little brochure, and I realize it is not a definitive piece and I realize it does not cover the full gamut, but as a starting point this is an excellent little brochure produced by the ministry. It talks about all the different kinds of devices, their proper use, their flexibility; it is part of an ongoing education program.

I firmly believe that without education enforcement is going to be impossible. People have to understand why we are doing this. I will be perfectly honest with this House. The questionnaire that I sent out on part of one of my newsletters recently asked about child restraint and whether or not there was support for child restraint. Those people who wrote back did not complain to me about the safety of their children; they did not say we had no business making their children safe. However, I am disappointed to report that some of them wrote back and said that we had no business deciding whether or not their child would remain healthy or, indeed, whether or not their child would live.

Mr. Martel: That is what they said when we introduced the original legislation.

Mr. Robinson: They are still saying it. It cannot move us off the issue, the facts are too clear. I am glad my friend the member for Sudbury East (Mr. Martel) agrees with me, which I am pleased to report will not be for the first time today. Mind you, it is the first time in a year and a half, but it has happened at least twice today.

Mr. Martel: You are having a good day.

Mr. Breithaupt: It might be your last.

Mr. Robinson: I may never move anything again, may never speak again.

Mr. Martel: There are those who might say it's a bad day.

Mr. Robinson: Whoever said that, I take considerable exception to that remark.

Moving back to the bill, moving right along, and receiving support from the minister who wants me to conclude as quickly as possible, I would draw members' attention to the future. It really is not so much a matter of what we have done to this point, it is really not so much a matter of the people in this House who have worked to bring us to this point, it is a matter of the future and where we go from here.

One of the groups that has taken a considerable step in going somewhere from here is the Council on Road Trauma from Hamilton-Wentworth. They are an affiliated group of medical people, professional educators and media people who are working through a program that they call RISK, which is Restrained Infants-Secure Kids. They realize the risk. I commend their report to the member for Cornwall if he has not had the opportunity to look through it.

In the foreword to the road trauma report it says that, "Road trauma is a disease, which with heart disease and cancer make up the big three killers in our society today." This disease, being road trauma, is the biggest killer of people under 35 years of age. It is the biggest killer, bar none. It is the most common cause of death in children below the age of 15 and accounts for more than the next four causes of mortality combined. It is the number three killer in North America behind heart disease and cancer; that is an amazing fact.

9:40 p.m.

In setting out the objectives of the council, they say will, "act as a forum for the development and promotion of road safety programs directed at preventing road accidents to reduce the effects of crashes and to foster a high standard of first aid and medical care for the

victims." That is an all-encompassing objective and one that is very worth while.

The member for Cornwall spoke about the user group directing the program so that it reaches the right people. In Hamilton-Wentworth, they are directing this program at the media, the police, community women, parents' groups, community information services, public libraries, car dealerships, pharmacies, churches, social services, day care centres, car rental agencies, the Hamilton Automobile Club, schools, the Hamilton Safety League and the licensing bureaux—everywhere the public can come into contact with drivers or where driver education and safety is paramount and becomes a distinct consideration.

The loaner program my friend the member for Cornwall spoke of is very real. It is under way and growing. He makes good suggestions about injecting some provincial funds to get it rolling, to make it worth while and to make it prosper. Anything we do makes the job of legislation easier if we have public awareness and participation on our side.

I close with two thoughts: I do indeed support the concept of exemption from provincial sales tax for these devices. Whatever arguments have been made in this House, and they have been considerable over the past number of weeks, about what members may consider validly or invalidly taxed, I do not think any member truly believes we cannot make a good case for exempting child restraint devices.

Every day at the beginning of our session, the Speaker reads a prayer in which he urges us to use power wisely and well. In my brief time here, I have not seen a better example of using power wisely and well than we are doing with this bill.

Mr. Breithaupt: Mr. Speaker, I want to speak briefly on this bill, and particularly to commend the member for Scarborough-Ellesmere (Mr. Robinson) on the leadership he has given with respect to his private bill. I think it has been very influential in bringing this legislation before the House as a government bill. In my time in the House, I have not seen many occasions when private legislation has led to government acceptance or indeed to time spent in the House to have such legislation approved.

Mr. Nixon: Perhaps the member for Kitchener (Mr. Breithaupt) is one of the few people who had a bill—

The Acting Speaker: Order.

Mr. Breithaupt: That was the best of good luck, and I think it was of some help in a particular area under the Family Law Reform Act.

In this circumstance, it is worth while to give credit where it is due. This is a most important theme and one that has concerned a number of members of the House. We are well aware of the statistics and the difficulties that have come before us time after time showing the burden on the health care system and the great grief many families suffer because of the injury and death of infants and young children as a result of automobile accidents.

The member has quite clearly set out many of these particulars and many of us enjoyed the comments that were made at the time during private members' hour. In addition, the marshalling of a group interested in supporting this legislation is something else the member for Scarborough-Ellesmere can be pleased to have taken an interest in and to have had a hand in as this whole theme has developed.

I am delighted to see the ministry has moved in this area and I for one am pleased to support it.

Mr. Riddell: To use the Premier's phraseology—

Mr. Bradley: You can't have it both ways.

Mr. Riddell: I would like to say that the member for Scarborough-Ellesmere made abundantly good sense as did my good colleague the member for Kitchener. If you were a member of the Legislature back in 1973, Mr. Speaker, you will know that a private member's bill was introduced, under the name of Jack Riddell, pertaining to school bus safety. Many accolades have been poured on the minister here this evening and I am going to add to those by saying that the minister has accepted many of the recommendations I made in that private member's bill and he has incorporated safety features in the school buses which simply did not exist previously.

Mr. Nixon: It took him a long time.

Mr. Eakins: You are very influential.

Mr. Riddell: Well, he did it in stages but he got the job done.

There are people throughout Ontario who believe that I am still carrying the safety torch for the young people travelling in our school buses. They continue to write to me expressing concerns about the safety features that are obviously lacking in the school buses, one of which is seatbelts. I am getting many letters all the time from people saying it is time that

seatbelts were incorporated in the school buses so that the young people could be restrained. We continue to read about accidents where the young people are thrown out of their seats and half way up the aisle and so on, and some of them are seriously injured.

I am just wondering if the minister has given any consideration to amending the laws whereby seatbelts would have to be incorporated in school buses? Why is it that all this time he has decided not to have seatbelts incorporated in the buses? We have been talking about the restraints for young children riding in cars and I think it would be very difficult to be able to keep a four or five year old child restrained all the time during a long trip. But if, indeed, that can be done, surely the young people travelling in school buses for the half hour or hour they are riding on that bus could also be kept restrained with the use of seatbelts.

I just fail to understand, unless the minister feels that it would be impossible for the bus driver to enforce. But I have run into all kinds of bus drivers who are the boss in their buses and the young people do as they are told. If you get the bus driver enforcing the use of seatbelts, then I do not think there would be the problem that the minister may feel there may be in the use of seatbelts in school buses. Maybe he can respond to that.

There is another thing that concerns me, and it is digressing from the bill a wee bit but it might be somewhat remotely connected. That is, the enforcement of some of the speed limits on the highways.

It really bothers me when one is travelling along Highway 401, doing 114 kilometres an hour, and a big transport pulls up beside you and passes with no problem whatsoever. We are seeing far more of these large transports lying over on their sides on the busy highways at the access roads. It is obviously the speed that is causing them to roll over and I am just wondering if there is not something—well, I know; maybe it is not dealing specifically with the bill but I think it is a concern that we have to have.

Mr. Boudria: It deals with the Highway Traffic Act.

Mr. Riddell: Certainly it deals with the Highway Traffic Act. It is a concern that we have to have and there has to be more enforcement of the speed limits with these transports. As I say, they are rolling over. You see them on the sides of the roads all the time. Upon inquiring as to why this is, the answer in all cases is speed. There is no way these large transports should be

travelling at 120 kilometres an hour. It would be impossible for them to stop in time to avoid an accident. I would like to hear the minister's comment on this, if he agrees with me that there is too much speeding on our highways and too many trucks now being involved in accidents.

9:50 p.m.

Mr. Boudria: Mr. Speaker, I would like to make a few brief remarks. They are really questions of the minister, which I hope he will take time to respond to in his reply. Most members are in favour of the general principle behind the bill, but I have a few questions regarding the child restraint.

First, it has to do with tourists coming into Ontario from other jurisdictions. Perhaps the minister has already addressed this. If so, maybe he could reply briefly and explain how he will address the tourist coming in from another provincial jurisdiction, as in my area. My riding borders on Quebec for 75 miles and people cross the border to go to work and there is a concern on the part of people from other jurisdictions about provisions in the bill or in the regulation to exempt certain people. I know the minister is going to exempt people travelling in a car other than their own, but I want to know if there is any exemption for people who travel in their own car but may not have Ontario licence plates, or something to that effect. The minister could respond to that in his remarks.

I would like to add to the remarks made by my colleague the member for Huron-Middlesex (Mr. Riddell) when he talked about school bus safety, especially seatbelts. I see the school bus at my house in the morning, especially on Monday morning when the children leave for school, and it leaves with children still standing in it. I would not have the children do that in my own car, and yet they seem to be doing it in the school bus. They are not tied down in any way. I would like to suggest to the minister that the children in the school bus are probably—

Mr. Piché: Are your children tied down in your own car?

Mr. Boudria: I thought the safety of our children was rather serious.

I would like to suggest to the minister that with children not being buckled down in the school bus, because of the distance from the back of the bus to the front there is probably a far greater impact upon collision than three or four feet inside a car. At least one would assume that the greater distance would probably give greater speed in the case of a crash. It strikes me

as being somewhat unusual, even ironic, that the only person buckled down in the school bus is the driver. He is probably right next to a padded dashboard.

One questions the logic of that. The minister will say that retrofitting all existing school buses with 50 or 60 sets of seatbelts is a very expensive venture. I submit that if we started with the new school buses right away, at some point in the future we would have the problem licked. If we never start we will never resolve this situation. Perhaps he would like to address that.

I note in the bill the minister wants to have stricter penalties for infractions of the law pertaining to vehicles not stopping for a school bus. I have had the experience of a truck not stopping when my four-year-old daughter got off the school bus at our place. It became evident to us that the driver of the school bus recognized the person and proceeded to tell him off in no uncertain terms as to what he thought of the person being so negligent.

I would like to suggest to the minister there might be some way he could legislate that if a school bus driver knows of someone who broke the law, the onus would be on the bus driver to report such an incident. In other words, it would be an offence by the bus driver not to report such an incident when the bus driver has the person's name or the licence plate of a vehicle.

The minister is probably aware that most infractions are probably done by local people in the local area. They are absent minded or they just do not care and they do not stop. On most occasions they are probably quite well known to the bus driver and there is a strong reluctance on the part of the bus driver to report such incidents, especially in rural areas, because after all it is Joe Blow down the street with his little truck going to the grocery store. Perhaps if there were some kind of a legal obligation, if that can be done, on the part of the bus driver to report any such infraction, this would assist in correcting the situation.

I was very fearful, and I still am, of my daughter getting off the school bus every day. It is of great concern to me personally, and I am sure to all members of this Legislature and to all people who have children who get off a school bus, especially the very small ones. Needless to say, a five-year-old does not know to look across the road when getting off a school bus. That is why the school buses are equipped with all the devices they have and the new devices they will now have because of this bill.

Perhaps the Attorney General (Mr. McMurtry),

who is sitting beside the minister could advise him, if there is any way that obligation can be enforced in a stricter way. The police are not equipped to do that. Of course, on a rural country road one cannot expect the local Ontario Provincial Police cruiser to follow the school bus all over the place to see if anyone is breaking the law. Physically it just cannot be done. Perhaps there should be some onus on the part of the school bus driver to report.

I would like to ask a question of the minister on the business of seatbelts in general as they pertain to handicapped drivers. There was an excellent article in one of the newspapers in Ottawa recently about a driver who could not wear a seatbelt, not because of any physical handicap—well, it depends on what one calls a handicap, I guess. This person's problem, if I can call it that, was that he was not very tall. As a matter of fact, he was so short that if he wore the seatbelt it went right across his face and he could not drive the vehicle. He has now paid hundreds of dollars' worth of fines in Ottawa because the police keep on insisting that he wear the seatbelt, which would be going somewhere across his forehead. That is an absolutely asinine thing with which he has to deal. I do not know the gentleman, but I read about him in, I believe, the *Ottawa Citizen*. Perhaps the minister could reply.

Mr. Piché: All he needs is a medical letter.

The Acting Speaker: As long as the honourable member ties all his remarks into Bill 26—

Mr. Boudria: I am tying that to the bill. We are discussing seatbelts, safety devices, the Highway Traffic Act and seatbelts for children. I believe that mentioning seatbelts in relation to short people driving motor vehicles is perfectly within the general idea of what this bill is supposed to do, and I wonder if the minister would respond to that.

I heard an interjection from one of the government members that a medical letter could change that. Again, I read in the same newspaper article that a medical letter cannot do anything for this person because he does not suffer a specific handicap. Being rather short is not considered a handicap and, therefore, medical practitioners have not been willing to give him that letter to which the member referred.

I will conclude my remarks on this bill. We are in support of the legislation, as my colleagues have indicated, but I feel some of these

questions should be clarified and I invite the minister to see to this at his convenience.

10 p.m.

Mr. Gillies: Mr. Speaker, I would like to add my support and to amplify briefly on one or two comments made by my friend the member for Huron-Middlesex and also by the member for Prescott-Russell (Mr. Boudria).

One of the major manufacturers of school buses is in the Brantford area, Canadian Blue Bird Coach Ltd. I do not believe they are in my riding but across the border in Brant-Oxford-Norfolk. It seems to me very recently I saw figures indicating that the cost of fully equipping a school bus with seatbelts is something under \$3,000.

I suggest to the minister that this is a very small price to pay when one thinks of the margin of safety that device could provide for the children riding in the bus. I would expect there to be some degree of opposition in the industry, but I think it is very necessary to provide that safety.

I know this is not addressed specifically in the bill, but I would like to draw to the minister's attention that apparently in certain municipalities the police force is somewhat reluctant to enforce the law on seatbelts. I am sure that across the various municipal jurisdictions there is considerable variance in the enforcement of that law.

I wonder if the minister has any comments on that and whether, with an overwhelming body of statistical evidence now coming forward that seatbelts do save lives, the minister might be prepared to confer with the Attorney General and with the Solicitor General (Mr. G. W. Taylor) to urge municipalities to enforce this law more rigidly so that people, regardless of where they live in the province, are afforded the same measure of compulsion, or encouragement, to comply with that law.

My other point is more by way of a question to the minister regarding section 4 of the bill, which addresses the question of the length of vehicles. I ask this quite innocently, I might say, on a point of information.

When I was in Belgium and France recently I noticed that most transport trucks on the highways were articulated, with usually two or even three trailers. I would think that would be very fuel efficient and, of course, the price of fuel in Europe is considerably higher than we are paying in Canada at present. I wonder if the ministry has looked at ways of encouraging the transportation industry to move in this direc-

tion. It seems to me many of the transport trucks we see on our highways are pulling just one trailer.

Mr. G. I. Miller: Mr. Speaker, the debate this evening brings back a few memories of 1975 and 1976 when seatbelts were introduced. I would like to speak on behalf of that silent majority, or maybe not so silent, back in those days when a petition was delivered with regard to seatbelts, which claimed that the people out there had some rights and responsibilities to protect themselves.

The Acting Speaker: Will the honourable member just—

Mr. G. I. Miller: I am speaking to the bill, Mr. Speaker. I just wanted to reflect for a few moments. While our party has indicated that we support the bill and although I supported the seatbelt legislation, I would like to bring this matter to the attention of the minister.

I remember the late Jack Spence, the great member from Kent-Elgin, standing up in this Legislature and speaking on behalf of his constituents. He indicated that he would never wear a seatbelt. He said, "You can put me in jail if you like." Yet he succeeded in protecting himself from any injury while driving.

I have had considerable experience in driving over 40 years and have always felt safe without a seatbelt. I think it is a matter of driving defensively. The thing I fear most is that I might get sleepy, as we do not have the opportunity of utilizing chauffeurs to do our driving but have to do our own. I would like to make it clear to the members on the government side of the House that I think each individual has some responsibility to take care of himself and his family.

While we say they should have good tires on, I have had people from my own riding say that if the idea of having first-rate equipment on the road is enforced too strongly they may not even be able to get to work. I think that is a consideration we have to be concerned about. We do have to make sure we can make a living for our family, and we do have to take some responsibility in making sure our kids are in the proper position when they are in the car.

I raised a family of four and the only time I was really embarrassed was when I did not come to a full stop at a stop sign. We were taking a little drive on a Sunday afternoon with our kids in the back seat. I rolled around the corner and a cop was behind me. I got a ticket for not coming to a full stop. So I said: "Are you going to give those kids tickets? They were supposed to be

keeping an eye on what is going on." They really should have the responsibility. We have to work as a team. Anyway, I think with the exception of that ticket and one for exceeding the speed limit in Hamilton just the other day or a couple years ago, those are the only two tickets I have had.

I just wanted to speak on behalf of the people out there who cannot speak up and who want to protect themselves and do not want to be overregulated.

Mr. McKessock: Mr. Speaker, I support the bill although I do not like wearing a seatbelt myself. I believe I have contacted the minister in regard to having seatbelts on school buses before. It seems to me that the minister says there is some federal law that interferes with allowing Ontario to enforce seatbelts in school buses. I feel the minister should work with the federal government, if this is the case, to make sure the changes are made so that seatbelts can be installed in school buses, especially the new buses, as a previous speaker mentioned.

I also feel this is where seatbelts could be of the most benefit, as other members have said, because the children are travelling at high speeds for long distances to school. The danger there is just as great or may be greater than in an individual automobile. So I would certainly encourage the minister to do whatever he has to do to get seatbelts installed in school buses. A good place to start would be with the new vehicles. If it does take some co-operation with the federal government, I think the minister should make strides to see that it comes about.

Hon. Mr. Snow: Mr. Speaker, I would like to thank the honourable members for their comments. I believe the main comment of the member for Brant-Oxford-Norfolk (Mr. Nixon) was in regard to vehicle lengths. First of all, I want to make it very plain what we are doing here as far as vehicle lengths are concerned. We are not lengthening the overall length of tractor-trailer units on our highways. We are increasing the length of a straight truck to make it uniform with the other provinces. It is one of the changes we had to make to meet the objectives of the motor vehicle administrators and the nine other ministers of transport who have been working together for more uniform weights, measures and dimensions of vehicles.

We have discussed many times the matter the member mentioned about school buses being yellow. A school bus must be painted chrome yellow. A school bus can be used for other purposes on charter but a bus used by a construction company, a farmer or someone

else to haul employees is not a school vehicle being used for school purposes.

I think it would dilute our legislation very much to have a proliferation of vehicles, other than school-purpose vehicles, that are yellow. We all know that a school bus is yellow; so let us keep that colour for school-purpose vehicles, although we do allow the school-purpose vehicle to be used to take a bunch of people to a hockey game, a bingo match or whatever it may be on a charter privilege when such outings are not the main use of the bus.

10:10 p.m.

The member for Cornwall made a number of comments. One was on the use of metric versus imperial measurements, and I think the suggestion was that we publish them in both versions. That is very difficult, because they do not always convert back and forth to each other. For instance, the 21-metre length of a tractor trailer is 68 feet 10 and three quarter inches—

Mr. Nixon: Approximately.

Hon. Mr. Snow: Approximately; not even exactly that, but that is down to the last quarter of an inch. We have metric, and I think we should go with it.

The member made quite a number of comments about how long it took to get this legislation and why it was not passed in 1981. It is just now that the regulations are being passed at the federal level for infant restraints. I know he is going to say that his New Democratic Party friends in Saskatchewan—

Mr. Samis: No, I did not even say it.

Hon. Mr. Snow: In fact, I know the gentleman very well. Mr. Kramer, who was Minister of Highways and Transportation in Saskatchewan, was a very close personal friend of mine over the years. He brought in the legislation, and I know he realized the weaknesses of it, but he said, "To hell with it; I am going to do it anyway." Maybe you can get by with that in a small province; I do not think you can do that in Ontario and I am not prepared to do it.

We will be phasing in the legislation, as the member mentioned, and I think we are phasing it in on a reasonable basis. Naturally, I would like to see every child in a child restraint device tomorrow. But I do not think it is reasonable to do that.

The member mentioned the loaner program. I am not prepared, and I do not have the funds, to get into a loaner program on the basis the member suggests. We are supplying some funding to the Ontario Safety League to co-ordinate

loaner programs. When this legislation is through we will be doing everything we can to encourage it. Different service clubs are getting involved in this, such as church and women's groups. The Zonta Club in my own riding has started a loaner program, I think it is an excellent program for those types of groups to get involved in, many service clubs today are looking for projects they can carry out.

Mr. Samis: But they need help.

Hon. Mr. Snow: They need help and they need encouragement, but I am not going to give them 50 per cent funding as the member suggests.

He talks about a public education program. I will not have \$1 million, \$5 million or \$10 million put into an advertising program, I just do not have that kind of money. We do have the brochures.

Mr. Samis: "Preserve it, conserve it": You can find money for that.

Hon. Mr. Snow: I am not going to answer interjections about what some other ministry may spend. They will spend what they see fit to spend; I have to be responsible for my budget and that is enough.

We will be doing everything we can on an educational basis. We have put out the little brochure, which I think is very good. I thank the honourable members for their comments. We are trying to get those into every doctor's office. We are trying to work through the health units to promote these through the medical profession. We are getting a lot of support, but I just do not have the money for a big educational program. We have produced a film, which the member mentioned.

About the cost factor and sales tax: yes, I would like to have seen a sales tax exemption on these devices. It certainly was considered by the Treasurer (Mr. F. S. Miller), but he is the man who makes those decisions and we do not have it.

I thank the member for Scarborough-Ellesmere for his strong support of this bill and for his private member's resolution last fall. I think he put that forward very well, and I congratulate him on it.

The member for Huron-Middlesex spoke about two items. He dealt with seatbelts in school buses and truck speeds. First of all, let us talk about the trucks.

The member may not be aware of it, but we have established a commission on truck safety. It was announced and has been under way for

several months. Dr. Uffen has been working on it for several months. He has been holding public meetings around the province, looking into a great many matters relating to overall truck safety.

What I really want to find out is whether trucks are unsafe or whether it is a myth; is the member misled in his feeling towards trucks. I drive on the highways just as much as or maybe more than the member, but I do not see some of the things he does. Certainly we have some accidents.

Mr. Nixon: If one sits in the back seat—

Mr. Piché: One thing for sure, it is not a myth.

Hon. Mr. Snow: With all due regard to the member's interjection, I never sit in the back seat of a car and I never will.

Mr. Nixon: Well, Bud Gregory always does. I thought he set the style.

Mr. Speaker: Order.

Hon. Mr. Snow: In other words, to try to clarify this and to look at many safety aspects and possible changes the trucking industry want to make, I did appoint Dr. Robert Uffen as a one-man commission on truck safety. I expect a report with his recommendations by the end of this year. He is the former dean of engineering at Queen's University. He is a very capable man and is doing an excellent job.

A number of members mentioned seatbelts in school buses. This is something I have been wrestling with for a number of years.

First of all, we require seatbelts to be worn where the federal government requires them to be installed. In a school bus the federal government requires a seatbelt to be installed for the driver. I disagree with the member. I think that is the most important position in the bus to have that belt because if there is a minor accident and the bus driver gets thrown out of that seat there is apt to be a much more serious accident if the driver should lose control.

We can separate school buses from general buses, and I cannot imagine seatbelts on TTC buses with the number of people standing on those buses, as the member has seen them here in Toronto. On the other hand, we do allow 30 per cent standees on school buses. One may argue that one should not allow standees on school buses, but if the member would talk to school boards they would be very concerned if we did not allow standees because it allows a bus to pick up the last few students close to the school and saves them an extra trip. I agree it is a dollar-and-cents situation.

The other part is the enforcement. I cannot see putting that onus on a bus driver with 50, 60 or 70 young people in the back of the bus for whom he is responsible. If someone is under 16 years of age, the driver could be charged if that young person is not wearing a seatbelt. I cannot see putting the driver of that bus in a position of being responsible for every one of those children in the back of the bus using their seatbelts.

There is the other problem where the younger children sit three to a seat and the older children sit two to a seat. How does one provide for that? That is a technical problem, I know, but there are so many problems. Really, there is not sufficient evidence that I can find any place to indicate to me that there would be an increase in safety by having seatbelts on school buses.

Mr. Riddell: Well, there could be volunteer parental supervision on the school buses too.

Hon. Mr. Snow: If extra people are going to be put on a bus, if a conductor or two is going to be hired on every bus—

Mr. Riddell: I said volunteer.

Hon. Mr. Snow: If the member can find that many volunteers, he is better than I am.

An hon. member: Common sense has to prevail somewhere along the line. It certainly is not prevailing over there.

Mr. Speaker: Order.

10:20 p.m.

Hon. Mr. Snow: The member for Prescott-Russell had a good question regarding child restraints. Tourists will be exempt, obviously. Cars coming from outside, from the United States, Manitoba or Quebec, will be exempt as will be a number of others—I do not want to go into them; taxis, for instance.

If one wants to take the lady next door downtown shopping and she has her child with her, one does not have to have a child restraint device in one's car just to give someone a Good Samaritan ride to take the baby to the doctor or something like that. There will be a number of common sense exemptions in the regulations to deal with those situations, which will include the tourists.

As for the member and his newspaper in Ottawa, whatever it is, I do not know where the devil they ever got the idea about the poor, short person. All that person has to do is go to a doctor. I have the wording of the regulation here some place. In any case, where a person seeks an exemption because of his physical or

mental condition or whatever; for example as a person who is not disabled at all but has claustrophobia can go to his doctor and get a letter that exempts him from wearing a seatbelt.

A short person could certainly get a letter that would exempt him from wearing a shoulder belt if it could not be done up properly. He could maybe wear a lap belt but get rid of the shoulder belt. All he needs is an exemption letter from his doctor to do that. I wish the newspapers the member talks to would try to be helpful and tell people that, rather than try to mislead them.

The member for Brantford (Mr. Gillies) talked about seatbelts on school buses; he thought \$3,000 was a low amount. I do not know whether that is the right price or not. There are 10,000 school buses in Ontario. If one took 10,000 times \$3,000, that would come out to quite a few dollars. There are some school boards today that have seatbelts on their buses. They can put them on if they wish.

I disagree with the member, though, on his suggestion that we lengthen the trucks and make triple trailers the common thing on our highways. That is something—

Mr. Boudria: Who asked for that?

Hon. Mr. Snow: My colleague the member for Brantford.

We do have double trailers but we limit them to 21 metres in length. We have not allowed triple trailers. It is something Dr. Uffen is looking into. I will be anxious to receive his report. I am certainly not prepared to consider anything beyond that at this time.

I have not answered every member specifically, but I think I have answered every question. There were many duplicates.

Motion agreed to.

Ordered for committee of the whole House.

MOTORIZED SNOW VEHICLES AMENDMENT ACT

Hon. Mr. Snow moved second reading of Bill 27, An Act to amend the Motorized Snow Vehicles Act.

Hon. Mr. Snow: Mr. Speaker, I have a brief opening statement. The major changes in the Motorized Snow Vehicles Act reflect the elimination of the connection between public funding of snowmobile trails and various safety requirements.

"Trail" in future will mean "the whole of any trail established and maintained by a recreational organization for the use of motorized snow vehicles." The rules with regard to age of

the operator and licence requirements, which formerly applied only to provincially funded public trails, will apply to trails as more broadly defined.

The requirement that vehicles be licensed and helmets worn is being expanded to apply to all areas except where the vehicle is owned by the land owner; in other words, on his own land.

The issuance of motorized snow vehicle operators' licences is being simplified so that it no longer will be necessary for a person who has completed his training under a recognized instructor to come to the ministry driver examination centre to have the licence validated. This is one more item of regulatory reform which will benefit the public. In other words, the people who operate the snowmobile operators' course for young people will be able fully to validate the licence when they have completed the course.

Basically, these amendments are very much of a housekeeping nature and safety-oriented.

Mr. Nixon: Mr. Speaker, we are certainly supporting this. I just want to say in passing how much good the snowmobile organizations have done, in our community and in many others, in setting out trails and instructing people who otherwise might not have an opportunity to learn proper snowmobile practices and in assisting them in getting whatever licences and so on they require.

I presume these associations, under their organization, have been consulted by the minister and have approved as well. We are supporting the bill.

Mr. Samis: Mr. Speaker, we will support this bill as well, especially the initiative regarding insurance, helmets and the greater flexibility in licence validation.

The one concern we have is the question of the whole process of privatization and the concept of user fees. I ask the minister how the rights of snowmobilers will be protected in northern Ontario where the trails go over crown land and whether there will be some sort of protection for the public from user fees on crown land.

Beyond that, we will support the bill.

Mr. Boudria: Mr. Speaker, I have a few brief questions on this bill. If I understand it correctly, the minister will be deeming a trail owned by a private club for the use of its members as a trail for the purposes of this bill. Does this mean that in the case of a private club with a trail for the use of its own members, such as a snowmobile

club that has a trail for its exclusive use on its own land owned by the club, the members driving snowmobiles in that area would have to wear helmets on trails that are indirectly their own property?

It also would mean they would have to be licensed to operate a motor vehicle on private property. I have some questions on that. Is the intent of the bill to do those things? I do not think anyone is questioning that public trails as we generally know them, or trails operated on certain pieces of private property that are leased or agreed to by a group of people forming a snowmobile club, end up being winter highways. I have no problem with the minister's decision.

My only concern has to do with these specific areas that are purely private property or property owned by a particular club, such as a rod and gun club which also uses its space for the benefit of its members for snowmobiling.

Perhaps the minister could explain further what the legislation does in those cases.

Mr. Wildman: Mr. Speaker, I want to make one point. It appears this bill is the direct result of the decision by the Minister of Natural Resources (Mr. Pope) to discontinue the ongoing funding for snowmobile trails. It seems to me unfortunate if we now see a movement to user fees to make up for the costs incurred by snowmobile clubs that are maintaining trails for the general public. As my colleague said, it would be difficult to see how it could be justified that snowmobilers—

Mr. Speaker: I do not think there is anything in that regard in this bill.

Mr. Wildman: It does relate to the bill in the sense that it allows for this kind of thing to happen. It is most unfortunate and it would seem to me we should be ensuring that people who use public trails on public land should not have to pay user fees to private clubs.

Hon. Mr. Snow: Mr. Speaker, I disagree with the member that this bill is a direct result of the change in the funding of the trails. It is perhaps partially the outcome of that and the fact that we will now have two kinds of trails, public trails and semi-private trails.

To answer the member for Prescott-Russell (Mr. Boudria), if you own a snowmobile and drive it on your own land, then you do not have to have insurance or wear a helmet; but if you are driving on somebody else's land, club land or a club trail, certainly, as far as I am concerned, you should be wearing a helmet and

should be insured because you are not driving on your own property.

There are clubs that make arrangements with a number of land owners to develop a trail, which they maintain for a fee. This makes it a semi-private trail. To provide the safety—and we have been successful through the clubs, the ministry and the laws, in substantially cutting

down on the number of deaths and injuries from snowmobiles—I do not intend to lose control of that by not having helmet and safety laws, and speed limits, on these semi-public trails.

Motion agreed to.

Ordered for third reading.

The House adjourned at 10:30 p.m.

CONTENTS

Monday, June 14, 1982

Second readings

Highway Traffic Amendment Act , Bill 84, Mr. Snow, Mr. Nixon, Mr. Samis, Mr. Stokes, Mr. Laughren, Mr. Lane, Mr. Haggerty, Mr. Swart, Mr. Hennessy, Mr. Newman, agreed to . . .	2657
Highway Traffic Amendment Act , Bill 26, Mr. Snow, Mr. Nixon, Mr. Samis, Mr. Robinson, Mr. Breithaupt, Mr. Riddell, Mr. Boudria, Mr. Gillies, Mr. G. I. Miller, Mr. McKessock, agreed to	2667
Motorized Snow Vehicles Amendment Act Bill 27, Mr. Snow, Mr. Nixon, Mr. Samis, Mr. Boudria, Mr. Wildman, agreed to	2679

Other business

Adjournment.	2681
-------------------------------	------

SPEAKERS IN THIS ISSUE

Boudria, D. (Prescott-Russell L)
 Bradley, J. J. (St. Catharines L)
 Breithaupt, J. R. (Kitchener L)
 Cassidy, M. (Ottawa Centre NDP)
 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Eakins, J. F. (Victoria-Haliburton L)
 Gillies, P. A. (Brantford PC)
 Gordon, J. K. (Sudbury PC)
 Haggerty, R. (Erie L)
 Hennessy, M. (Fort William PC)
 Lane, J. G. (Algoma-Manitoulin PC)
 Laughren, F. (Nickel Belt NDP)
 Martel, E. W. (Sudbury East NDP)
 McKessock, R. (Grey L)
 Miller, G. I. (Haldimand-Norfolk L)
 Newman, B. (Windsor-Walkerville L)
 Nixon, R. F. (Brant-Oxford-Norfolk L)
 Piché, R. L. (Cochrane North PC)
 Riddell, J. K. (Huron-Middlesex L)
 Robinson, A. M. (Scarborough-Ellesmere PC)
 Ruston, R. F. (Essex North L)
 Samis, G. R. (Cornwall NDP)
 Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)
 Stokes, J. E. (Lake Nipigon NDP)
 Swart, M. L. (Welland-Thorold NDP)
 Turner, Hon. J. M., Speaker (Peterborough PC)
 Wildman, B. (Algoma NDP)

BINDING SECT. SEP 23 1983

